

# Public Document Pack

## Council Forum

Thursday, 20th July, 2023

6.00 pm

Council Chamber, Blackburn Town Hall

[Link to Webcast](#)

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### AGENDA

1. **Welcome and Apologies**
2. **Minutes Of The Previous Meeting**  
**Annual Council Minutes 2023** **4 - 14**  
**Appendix 1 Minutes**  
**Appendix 2 Minutes**
3. **Declarations of Interest**  
**DECLARATIONS OF INTEREST FORM** **15**
4. **Mayoral Communications**
5. **Council Forum**  
To consider any questions from members of the public under Procedure Rule 12.
6. **Motions**  
To consider any Motions received under Procedure Rule 10. One Motion has been received as follows:

*A key priority of Blackburn with Darwen Borough Council is in tackling digital exclusion and social isolation. This Council therefore notes with dismay, the recent announcement of proposals for hundreds of train station ticket offices to close. These include nearby stations such as Preston (a main-line station with over 4 million passenger movements in 2021-22), Accrington and Burnley – all of which will be used by Blackburn with Darwen residents.*

*Not only do our railways provide a vital service in ensuring that our residents and communities stay connected, but they also form a key element of the climate change strategy.*

*Government's role should therefore be to encourage rail use*

*and this announcement contradicts statements in support of increasing rail travel.*

*The provision of ticket offices is vital in ensuring that those not in a position to purchase tickets online or via machines – a fifth of all passengers, most certainly to include some of the most vulnerable members of society, including the elderly and those with learning difficulties – are able to do so and it is inevitable that many passengers will stop using trains if they are not able to continue booking tickets at ticket offices. This will be yet another lifeline cut off for potentially millions of individuals around the country.*

*This Council therefore condemns the recent announcement of ticket office closures and requests that our Chief Executive and Leader raise these concerns with the Secretary of State for transport and our local Members of Parliament.*

Moved by Cllr Damian Talbot; Seconded by Cllr Brian Taylor.

7. **Proposed Introduction of Article 4 Direction**  
**Council Forum Report 20.07.23 Confirmation of A4D** 16 - 91  
**Appendix 1 - Article 4 Direction plan ward maps - compressed**  
**Appendix 2 - Article 4 Direction Justification Paper**  
**Appendix 3 - A4D Consultation - Feedback Report**  
**Appendix 4 - Article 4 HMO Report Council Forum**  
**28.7.22**
8. **Audit & Governance Committee Annual Report and Minutes of Meetings 2022/3**  
**Audit Governance Committee Annual Report 2022.23** 92 - 134  
**Audit and Governance Committee June 2022**  
**Audit and Governance Committee November 2022**  
**Audit and Governance Committee March 2023**
9. **Governance Update**  
**Governance Update.July 2023.amended** 135 -  
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*Link to Updated Constitution July 2023:*  
[ConstitutionJuly2023MasterCopy.docx.pdf](#)  
[\(blackburn.gov.uk\)](#)

<b>10.</b>	<b>Updates from other Committees</b>	
	<b>Progress of the Overview and Scrutiny Committees</b>	<b>139 - 141</b>
<b>11.</b>	<b>Reports of the Executive Members with Portfolios</b>	
<b>11.1</b>	<b>Leader</b>	
	<b>Leader's report</b>	<b>142 - 144</b>
<b>11.2</b>	<b>Public Health, Prevention &amp; Wellbeing</b>	
	<b>Public Health and Wellbeing</b>	<b>145 - 147</b>
<b>11.3</b>	<b>Adults, Social Care &amp; Health</b>	
	<b>Adult Services</b>	<b>148 - 149</b>
<b>11.4</b>	<b>Digital &amp; Customer Services</b>	
	<b>Digital and Customer Services</b>	<b>150 - 154</b>
<b>11.5</b>	<b>Finance &amp; Governance</b>	
	<b>Finance and Governance</b>	<b>155 - 158</b>
<b>11.6</b>	<b>Growth &amp; Development</b>	
	<b>Growth and Development</b>	<b>159 - 163</b>
<b>11.7</b>	<b>Children, Young People &amp; Education</b>	
	<b>Children Young People and Education</b>	<b>164 - 168</b>
<b>11.8</b>	<b>Environment &amp; Operations</b>	
	<b>Environment and Operations</b>	<b>169 - 170</b>
<b>12.</b>	<b>Questions from Members</b>	
	To consider any questions received from Members under Procedure Rule 11.	

Date Published: Wednesday, 12 July 2023  
Denise Park, Chief Executive

## **ANNUAL COUNCIL** **Thursday 18<sup>th</sup> May 2023**

**PRESENT** –*The Mayor, Councillor Suleman Khonat, Councillors, Akhtar H, Akhtar P, Ali, Baldwin, Casey, Connor, Desai M, Desai S, Fazal, Fielding, Floyd, Gee, Gibson, Gunn, Hardman, Humphrys, Hussain I, Hussain M, Hussain S, Irfan, Imtiaz, Jackson, Khan S, Khan Z,, Liddle, Mahmood, Marrow, McCaughran, McGurk, Patel Ab, Patel Alt, Patel, S, Raja, Rigby, Riley, Russell, Shaw, 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. Apologies were received from Councillors Brookfield, and Harling.

*At this point of the Meeting a Minutes Silence was observed in memory of former Councillor, Leader of the Council and Mayor, Colin Rigby OBE, and former Strategic Director of Resources Alan Cotton, who had both recently passed away.*

#### **2 The Election of Mayor for 2023/24**

The Chief Executive asked for nominations for the Office of Mayor of the Borough for the ensuing Council year. Councillor Parwaiz Akhtar was nominated for Office and declared elected as the Mayor of the Borough for the 2023/2024 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 2023/24**

The Chief Executive asked for nominations for the Office of Deputy Mayor of the Borough for the 2023/2024 Council year. Councillor Sylvia Liddle was nominated for Office and the Mayor declared her elected as Deputy Mayor of the Borough for the 2023/24 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 Shaukat Hussain and Phil Riley 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 Suleman Khonat**

Councillors Phil Riley and Mustafa Desai 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 Suleman Khonat and badges to the Mayoresses and Consort. Councillor Khonat 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 his year in office.

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

(The Deputy Mayor, Councillor Sylvia Liddle, in the Chair.)

## **6 Minutes of the Council Forum Meeting held on 23rd March 2023**

**RESOLVED** – The Minutes of the Council Forum meeting held on 23rd March 2023 were agreed as a correct record.

## **7 Declarations of Interest**

Councillor Denise Gee declared an Interest relating to her role as Head of the Charity ELHT and Me (East Lancashire Hospitals) which was one of the Mayor's chosen charities for 2023/24.

## **8 Election Results May 2023**

The results of the recent elections were submitted. Members of the Council welcomed the newly elected Councillors.

## **9 Council Appointments 2023/24**

The Chief Executive referred to a report on the composition and political balance of the Council as detailed in Appendix 1 and asked that Council approve Council Appointments for 2023/24, including the Re-appointment of the Leader for a further 4 year term.

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.

Members were reminded of the revised scrutiny arrangements during 202/23 and it was proposed that the composition for all four committees be 9 Members each for 2023/34, with the composition of the Call-in Committee unchanged.

It was proposed that the arrangements for the Corporate Parenting Specialist Advisory Group be reviewed in consultation with relevant officers and Members.

## **RESOLVED –**

That Council:

- 1) re-appoints Councillor Phil Riley as Leader of the Council from 18<sup>th</sup> May 2023, and in accordance with Article 7.03 of the Constitution;
- 2) notes the composition and political balance on the Council following the local elections on 4<sup>th</sup> May 2023, as referred to in Paragraph 4 above and further detailed **Appendix 1**;
- 3) notes the appointment of the Executive Board Members and the Deputy Leaders;
- 3) notes the Shadow Portfolio Members;
- 4) approves the appointments be made to the positions detailed in Paragraph 3, subsection 3; and

(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).

- 5) authorises the Chief Executive to review the Corporate Parenting Specialist Advisory Group in consultation with the Strategic Director, Childrens & Education (DCS), and the Executive Member for Children, Young People & Education and the Chair of Children's & Young Persons OSC, and present a report to Council at a future date.

## **10 Governance Update**

A report was submitted, advising Council that the current statutory 'Section

151' Chief Finance Officer Dean Langton would leave his post on 21<sup>st</sup> May 2023, and which asked Council to agree the arrangements for the statutory 'Section 151' function following this date.

Council was also asked to note that the Council Constitution would be updated and reported to the Council Forum on 20<sup>th</sup> July 2023 for approval.

**RESOLVED –**

That Council:

1. notes the current statutory 'Section 151' Chief Finance Officer will leave his post on 21st May 2023.
2. approves that Denise Park, Chief Executive be appointed interim Section 151 Chief Finance Officer pending an appointment to a post, incorporating the statutory function.
3. notes that the Council Constitution will be updated and reported to the Council Forum on 20th July 2023 for approval.

**11 Mayoralty 2023/24**

Members received a report which confirmed the arrangements for the Mayoralty in 2023/2024, namely that Councillor Parwaiz Akhtar be appointed as Mayor and Councillor Sylvia Liddle be appointed as Deputy Mayor for 2023/2024.

**RESOLVED –**

That Annual Council:

- 1) Confirms the appointment of Councillor Parwaiz Akhtar as Mayor of the Borough for 2023/24; and
- 2) Confirms that in accordance with the rotation arrangements agreed at Annual Council in 22<sup>nd</sup> July 2022 that the Labour Group nominates the Deputy Mayor for 2023/24 and notes the appointment made earlier in the meeting of Councillor Sylvia Liddle.

**12 Appointments to Outside Bodies and Partnership Bodies 2023/24**

The Chief Executive submitted a report on the appointment of representatives to serve on Outside Bodies and Partnership Bodies in 2023/24.

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 2023/24 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 20<sup>th</sup> July 2023  
(being the ensuing meeting of the Council) by

MAYOR



## COUNCIL APPOINTMENTS FOR 2023/2024

This is the pro-forma for appointments in 2023/2024

### 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) 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 Sonia Khan Saj Ali
<b>Public Health, Prevention &amp; Wellbeing</b>	Damian Talbot	Brian Taylor Zamir Khan
<b>Children's, Young People &amp; Education</b>	Julie Gunn	Katrina Fielding Tasleem Fazal Abdul Patel
<b>Environment and Operations</b>	Jim Smith	Jim Casey Shaukat Hussain
<b>Growth &amp; Development</b>	Quesir Mahmood	Matthew Jackson Jim Shorrocks
<b>Digital &amp; Customer Services</b>	Mahfooz Hussain	Elaine Whittingham
<b>Finance &amp; Governance</b>	Vicky McGurk	Dave Harling 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
<p><b>Policy &amp; Corporate Resources Overview and Scrutiny</b></p> <p><b>Membership</b></p> <p><b>Chair:</b> Tony Humphrys</p> <p><b>Vice-Chair:</b> Kevin Connor</p>	<p>Tony Humphrys Sylvia Liddle Brian Taylor Jackie Floyd Shaukat Hussain Tasleem Fazal Katrina Fielding</p>	<p>Kevin Connor Neil Slater</p>		
<p><b>Place - Overview and Scrutiny Committee</b></p> <p><b>Membership</b></p> <p><b>Chair:</b> Suleman Khonat</p> <p><b>Vice Chair:</b> Salim Sidat</p>	<p>Zamir Khan Salim Sidat Brian Taylor Katrina Fielding Sonia Khan Stephanie Brookfield Suleman Khonat</p>	<p>Paul Marrow Mark Russell</p>		
<p><b>Children &amp; Young People Overview and Scrutiny Committee</b></p> <p><b>Membership</b></p> <p><b>Chair:</b> Sylvia Liddle</p> <p><b>Vice-Chair:</b> Martin McCaughran</p>	<p>Sylvia Liddle Martin McCaughran Hussain Akhtar Ehsan Raja Matt Gibson Saj Ali Matt Jackson</p>	<p>Julie Slater Denise Gee</p>		
<p><b>Health &amp; Social Care Overview and Scrutiny Committee</b></p> <p><b>Membership</b></p> <p><b>Chair:</b> Jacquie Slater</p> <p><b>Vice Chair:</b> Elaine Whittingham</p>	<p>Elaine Whittingham Dave Harling Dave Smith Mohammed Irfan Salma Patel Tony Humphrys Anthony Shaw</p>	<p>Jacquie Slater Derek Hardman</p>		

Committee	Labour	Conservative	Lib Dem	IND
<b>Call In Committee</b> <b>Chair:</b> Kevin Connor				
<b>Planning &amp; Highways Committee</b> <b>Membership</b> <b>Chair:</b> Dave Smith <b>Vice-Chair:</b> Hussain Akhtar	Dave Smith Hussain Akhtar Samim Desai Zamir Khan Jim Casey Salma Patel Quesir Mahmood Martin McCaughran Sabahat Imtiaz Matthew Jackson	Paul Marrow Jacquie Slater Jon Baldwin		
<b>Licensing Committee</b> <b>Membership</b> <b>Chair:</b> Iftakhar Hussain <b>Vice-Chair:</b> Matt Gibson	Iftakhar Hussain Brian Taylor Jim Casey Stephanie Brookfield Tasleem Fazal Sabahat Imtiaz Matt Gibson Jim Shorrock	Denise Gee Mark Russell Derek Hardman		
<b>Audit and Governance Committee</b> <b>Membership</b> <b>Chair:</b> Dave Harling <b>Vice Chair:</b> Salim Sidat	Dave Harling Salim Sidat Elaine Whittingham Suleman Khonat	Jon Baldwin Neil Slater		
<b>Standards Committee</b> <b>Membership</b> <b>Chair:</b> Saj Ali <b>Vice-Chair:</b> Kevin Connor	Mohammed Irfan Jim Casey Samim Desai Saj Ali Elaine Whittingham Ehsan Raja Anthony Shaw	Kevin Connor Neil Slater		

<b>Committee</b>	<b>Labour</b>	<b>Conservative</b>	<b>Lib Dem</b>	<b>IND</b>
<b>Health &amp; Wellbeing Board</b>  <b>Membership</b>  <b>Chair:</b> Damian Talbot	Julie Gunn Mustafa Desai Damian Talbot	Derek Hardman		
<b>Charitable Funds Committee</b>  <b>Membership</b>  <b>Chair:</b> Damian Talbot	Damian Talbot Dave Smith Matt Gibson Matthew Jackson Anthony Shaw	Jean Rigby		

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## APPOINTMENT TO GROUPS AND PANELS

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<b>Committee</b>	<b>Labour</b>	<b>Opposition</b>
<b>Appeals Panel</b>  <b>Membership 15</b>	Iftakhar Hussain, Sylvia Liddle, Jackie Floyd, Brian Taylor, James Shorrock, Tony Humphrys.	Julie Slater, Jacquie Slater
<b>Chief Executive's Employment Committee</b>  <b>Membership 4</b>	Phil Riley Quesir Mahmood Julie Gunn	John Slater

<b>Committee</b>	<b>Labour</b>	<b>Opposition</b>
<b>Chief Officer's Employment Committee</b>  <b>Membership 4</b>	Phil Riley Quesir Mahmood 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**

<b>LABOUR GROUP</b>	<b>Councillors</b>
Leader	Phil Riley
Deputy Leaders	Quesir Mahmood (Senior), Julie Gunn
<b>CONSERVATIVE GROUP</b>	<b>Councillors</b>
Leader	John Slater
Deputy Leaders	Denise Gee (Senior) Derek Hardman

<b>Shadow Cabinet</b>	<b>Shadow Executive Member</b>	<b>Shadow Assistant Executive Member</b>
Adult Services & Prevention	Jacque Slater	Mark Russell
Public Health & Wellbeing	Derek Hardman	Kevin Connor
Children's, Young People & Education	Denise Gee	Julie Slater
Environmental Services	Jean Rigby	John Slater
Growth & Development	Paul Marrow	Altaf Patel
Digital & Customer Services	Julie Slater	Neil Slater
Finance & Governance	Neil Slater	Jon Baldwin
<b>Opposition Committee Spokespersons</b>		
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 2023/24:

### **Planning and Highways**

Councillors Akhtar H, Akhtar P, Ali, Baldwin, Brookfield, Casey, Connor, Desai S, Gee, Hardman, Humphrys, Hussain M, Imtiaz, Jackson, Khan Z, Khonat, Mahmood, Marrow, McCaughran, Patel S, Raja, Rigby, Shaw, Shorrocks, Slater Jacq, Salter Jo, Slater Ju, Slater N, Smith D, Taylor and Whittingham.

### **Licensing**

Councillors Hussain I, Gibson, Jackson, Slater Ju, Gee, Imtiaz, Raja, Casey, Khonat, Russell and Taylor.

## DECLARATIONS OF INTEREST IN ITEMS ON THIS AGENDA

**Members attending a Council, Committee, Board or other meeting with a personal interest in a matter on the Agenda must disclose the existence and nature of the interest and, if it is a Disclosable Pecuniary Interest or an Other Interest under paragraph 16.1 of the Code of Conduct, should leave the meeting during discussion and voting on the item.**

**Members declaring an interest(s) should complete this form and hand it to the Democratic Services Officer at the commencement of the meeting and declare such an interest at the appropriate point on the agenda.**

MEETING:                      **COUNCIL FORUM**

DATE:                              **20<sup>th</sup> July 2023**

AGENDA ITEM NO.:

DESCRIPTION (BRIEF):

NATURE OF INTEREST:

DISCLOSABLE PECUNIARY/OTHER (delete as appropriate)

SIGNED :

PRINT NAME:

(Paragraphs 8 to 17 of the Code of Conduct for Members of the Council refer)

<b>REPORT OF:</b>	<b>EXECUTIVE MEMBER FOR GROWTH AND DEVELOPMENT</b>
<b>TO:</b>	<b>Council Forum</b>
<b>ON:</b>	<b>20 July 2023</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 (Houses in Multiple Occupation))

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## 1. PURPOSE OF THE REPORT

- 1.1 To update Council Forum with the results of the consultation on the proposed Article 4 Direction, undertaken in August/September 2022.
- 1.2 To seek Council Forum approval to confirm the Article 4 Direction which will remove the permitted development rights for the change of use from Use Class C3 (dwelling-houses) to Use Class C4 (Houses of Multiple Occupation (HMO)) in all urban areas of the Borough, as illustrated on the plans accompanying the Direction.
- 1.3 Subject to Council Forum approval to confirm the Article 4 Direction, the Direction will then become effective on 9 August 2023. The existing Article 4 Direction (2013) will be cancelled on the date that the new Direction takes legal effect.

## 2. RECOMMENDATIONS

- 2.1 The Council Forum approve the confirmation of a Direction under Article 4 of the Town and Country Planning (General Permitted Development) Order (GPDO) 2015 (as amended), having had 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 HMO with between 3 and 6 occupants (C4) and which will apply to all urban areas of the Borough as shown on the accompanying plan.

## 3. BACKGROUND

- 3.1 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), to enable the change of use without the need to apply for planning permission, subject to conditions. These permitted development rights relate only to the conversion of dwelling-houses to HMOs of not more than 6 residents. Proposals for HMOs containing 7 or more residents already require planning permission to be sought.
- 3.2 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 local circumstances may 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.



- 3.3 In 2012, the 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 the Council, residents, businesses and other stakeholder and agencies, at the detrimental impact that high numbers and local concentrations of HMOs were having on the physical, economic and social fabric of communities and neighbourhoods across the Borough.
- 3.4 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.
- 3.5 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 falling outside the defined areas, where issues of concentration had not been identified, still retained their permitted development rights.
- 3.6 In accordance with National Planning Guidance (para 49)<sup>1</sup>, the Council report accompanying the original Article 4 Direction (2012) set out the intent to monitor the appropriateness of the Direction, including review and consideration of whether the original rationale and/or extent of the 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 across the Council, 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 finances and local 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 space, which includes providing for significant and complex needs imported from beyond 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 demands on key frontline services.
- 3.8 Given the growth in HMOs and the increase in associated issues, alongside the progression of the Council's new Local Plan (2021-2037), it is now the right 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 and regulatory actions to be implemented by the Council as a whole, planning continues to be an important tool in the management of HMOs in the Borough.

## **4 RATIONALE**

- 4.1 The Council's emerging new Local Plan (2021-2037) contains Policy DM06: Houses in Multiple Occupation (HMOs) which states that 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 identify HMO developments that could otherwise be carried out under permitted development rights.

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<sup>1</sup> [When is permission required? - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

- 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 DM06. 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. The new Article 4 Direction designation is proposed to cover the whole urban area of Blackburn with Darwen. Once in effect, it will replace the existing 2012 Direction, and facilitate stronger management of HMO conversions in all urban areas.
- 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. The Local Plan also supports the Council's new Corporate Plan priorities. Based on the available evidence, it is likely that this work will be significantly undermined unless much 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>2</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.

## 5 CURRENT POSITION

- 5.1 In 2022, the Council prepared a Justification 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 was collated from across a number of key Council services, and was internally consulted upon.
- 5.2 The evidence 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 the Justification Paper will continue.

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<sup>2</sup> [National Planning Policy Framework \(publishing.service.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/617282/nppf-2019.pdf)

- 5.3 The ability for HMOs to appear without more effective planning management perpetuates the issues identified through Appendix 2. Whilst recognising that planning is only one tool available to manage issues relating to HMOs, the Council propose to introduce a new Article 4 Direction to cover the urban areas of the Borough to protect local amenity and the well-being of the area from further harm. The planning proposals fit in with wider Council strategies and tools seeking to address the Borough's HMO problems. For example, the Council have an adopted '[Homelessness and Rough Sleeper Strategy 2020-2025](#)', which sets out four objectives, including, at (4), the need to address the over-supply of HMOs in the Borough by tightening local planning policy and regulations.
- 5.4 The boundary of those urban areas will be set by Policy CP2 of the emerging Local Plan (2021-2037). It is considered that this is the smallest, appropriate geographic level to apply for the reasons evidenced in the Justification Paper. 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. A map of the proposed Direction area is contained at Appendix 1. The new Article 4 Direction, once in effect, will serve to modify (and in doing so replace) the 2012 Direction and its designated areas.
- 5.5 The introduction of an Article 4 Direction is a two stage process: firstly, to 'make', and consult upon, the direction; and secondly, to review consultation responses and, subject to no material changes being required to warrant further consultation, to confirm the direction.

### **Making of, and Consultation on, the Article 4 Direction**

- 5.6 On 28 July 2022, Council Forum approved the making of the new Article 4 Direction and the accompanying public consultation on the proposed direction. The Direction was 'made' on 8 August 2022, triggering the commencement of the 12-month lead in period required to introduce non-immediate Directions. A 6-week public consultation subsequently took place between Thursday 11 August and Friday 23 September 2022. Consultation and publicity were undertaken in accordance with the requirements of Schedule 3 of the GPDO 2015, and included:
- Notification to the Secretary of State
  - Press notice in the Lancashire Telegraph and Bolton Evening News
  - Approximately 50 Site Notices displayed across all urban areas of the Borough
  - Information on the Council website
  - Information 'on deposit' at Blackburn and Darwen Town Halls and local libraries
  - Press release
  - Email and postal notification to statutory undertakers, consultees and the Local Plan consultation database
- 5.7 Consultation must be meaningful to be effective and not potentially subject to judicial review. Should any comments be received that necessitate material changes to be made to the Article 4 Direction, then this would require a further round of consultation before the direction could be confirmed by the Council.

### **Results of Consultation**

- 5.8 The Council received 8 comments, which are presented through an accompanying Feedback Report at Appendix 3. The Feedback Report details how the Council have

considered each of the comments received, and what action, if any, it recommends as a result.

- 5.9 All 8 comments registered support or made no comment. The Blackburn and Darwen Trade Union Council submitted the most detailed representation, registering support for the Direction, but questioning the availability of data relating to assessing the housing needs of young people. The Council has provided a detailed response to address this concern through the feedback report (Appendix 3), concluding that relevant evidence studies have not identified any specific need for additional HMOs and that the introduction of the Direction is in keeping with wider strategies and recommendations, that consider young people, single persons and couples needs, including that from the 'Homelessness and Rough Sleeper Strategy 2020-2025'.
- 5.10 After full consideration of the comments, it is considered that no changes are required to the Direction and therefore the Direction can proceed to be confirmed as originally proposed without amendment.

### Confirmation of the Direction

- 5.11 It is therefore recommended, as at paragraph 2.1, that Council Forum approve the confirmation of a non-immediate Direction under Article 4 of the Town and Country Planning (General Permitted Development) Order (GPDO) 2015 (as amended), with a 12-month lead-in period, to remove the permitted development rights 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.
- 5.12 The full rationale and key issues to support the confirmation of the direction are as those presented and detailed in the Justification Paper and summarised in Council Forum report, dated 28 July 2022 (attached as Appendix 4). 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 planning 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.

### Risk Assessment

- 5.13 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 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 DM06, 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

	Growth & Development.
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.

5.14 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**

5.15 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.

5.16 The SoS was notified of the making of the Direction on 8 August 2022, with the intent that the non-immediate Direction should then take effect 12 months later (from 9 August 2023). Whilst the SoS has the power to intervene to modify or cancel a direction at any time, they have confirmed that this does not prevent any of the processes associated with introducing an Article 4 Direction from going forward. Since the Council originally notified the SoS, the SoS has not issued the Council with any response that would indicate an intent to intervene. In the absence of any response, and given the passage of time, it is considered appropriate to continue to progress with the confirmation of the direction. Further delays to the confirmation of the Direction could impact on the ability of the Council to start to address the over-supply of HMOs in the Borough's urban areas. However, continuation does carry a minor risk of modification or cancellation of the direction, should the SoS subsequently decide to intervene. Recent interventions by the SoS have resulted in modifications of Directions, rather than cancellations, and so, on balance, officers consider it appropriate to progress to seek confirmation of the Direction.

### **Next Steps**

5.17 It is recommended that the Council approves the confirmation of the new, non-immediate Article 4. This option requires a 12 month lead in period before the Direction becomes effective. Subject to approval to confirm, it is expected that the new Direction would therefore become operational from 9 August 2023 – 12 months from the date that Direction was 'made'. The existing Article 4 Direction will be cancelled on the date the new direction takes legal effect.

## **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 (DLUHC).
- 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 new Local Plan (2021-2037).
- 6.3 The emerging new Local Plan is now in its final stages of production, and underwent public hearings as part of its 'examination in public' in early 2023. In relation to Policy DM06: Houses in Multiple Occupation (HMO), no representations were received through the Regulation 19 consultation, and no significant modifications have been requested by/agreed with the Planning Inspectors through the examination. Whilst the Local Plan is not yet adopted (this is anticipated in early 2024), the advanced stages of its preparation mean that substantial weight can be placed on emerging Policy DM06 in determining current planning applications.
- 6.4 By way of further update, an appeal was made to the Planning Inspectorate against the Council's decision to refuse an application relating to the 'change of use from a single residential dwelling to a HMO for 4 residents in Blackburn (APP/M2372/W/22/3296993) in an area covered by the existing Article 4 Direction. The appeal was allowed by the Planning Inspector, granting planning permission, who concluded that the development would not create harmful effects on local character or highway safety. In making their determination, the Planning Inspector noted that the Council's defence was insufficiently supported by any written justification to evidence problems relating to HMOs.
- 6.5 Without intending criticism of the Inspectorate's decision, officers note that the supporting documents referenced in the Council's defence were not requested by the Inspector and whilst the Inspector's decision is considered to be disappointing, it is not considered that their decision reflects a failure of current or emerging policy. Instead, it has emphasised the importance of submitting relevant extracts in future appeal defence. More specifically, it has demonstrated the importance of having a robust, up-to-date evidence base available to demonstrate the existing issues relating to HMOs and the need for a Borough-wide Article 4 designation. The Article 4 Justification Paper, presented in Appendix 2, can now be used to support the Council's defence of any relevant planning appeals.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 The costs of making the Article 4 Direction include publicity and, once in place, staff time to administrate 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 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 making of proposed Direction was then approved by Council Forum on 28 July 2022. This report seeks approval by Council Forum to confirm the Direction.

8.3 Subject to approval, the Direction will be confirmed 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.

## **9. RESOURCE IMPLICATIONS**

9.1 Subject to approval, the formal confirmation 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 Development Management Team.

9.3 Beyond the remit of the Direction and the control of planning services, the Council will continue to undertake a range of work with commissioned services and partners to address issues relating to homeless and transient persons, including identifying the hidden homeless and moving people from hostels.

## **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. This provides an opportunity for local residents, property owners, property agents and stakeholder groups to make comments on the proposal. The Council is also required to notify the Secretary of State of the proposed direction at both stages of its preparation.

11.4 Consultation (and publicity) on the making of the Article 4 Direction was carried out in accordance with the requirements of the GPDO. Consultation was undertaken for 6 weeks between 11 August and 23 September 2022, and details of the consultation are provided through this report, and through Appendix 3.

11.5 Subject to approval, the Council will confirm the Direction, and undertake all relevant further publicity, in accordance with the requirements of the GPDO 2015.

### **Monitoring and Review**

11.6 Once the Direction takes effect there remains 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: 6th July 2023

### Background Papers:

- Appendix 1: Article 4 Direction and Plan (and ward maps)
- Appendix 2: Article 4 Direction Justification paper
- Appendix 3: Consultation Feedback Report
- Appendix 4: Council Forum Report 28 July 2022

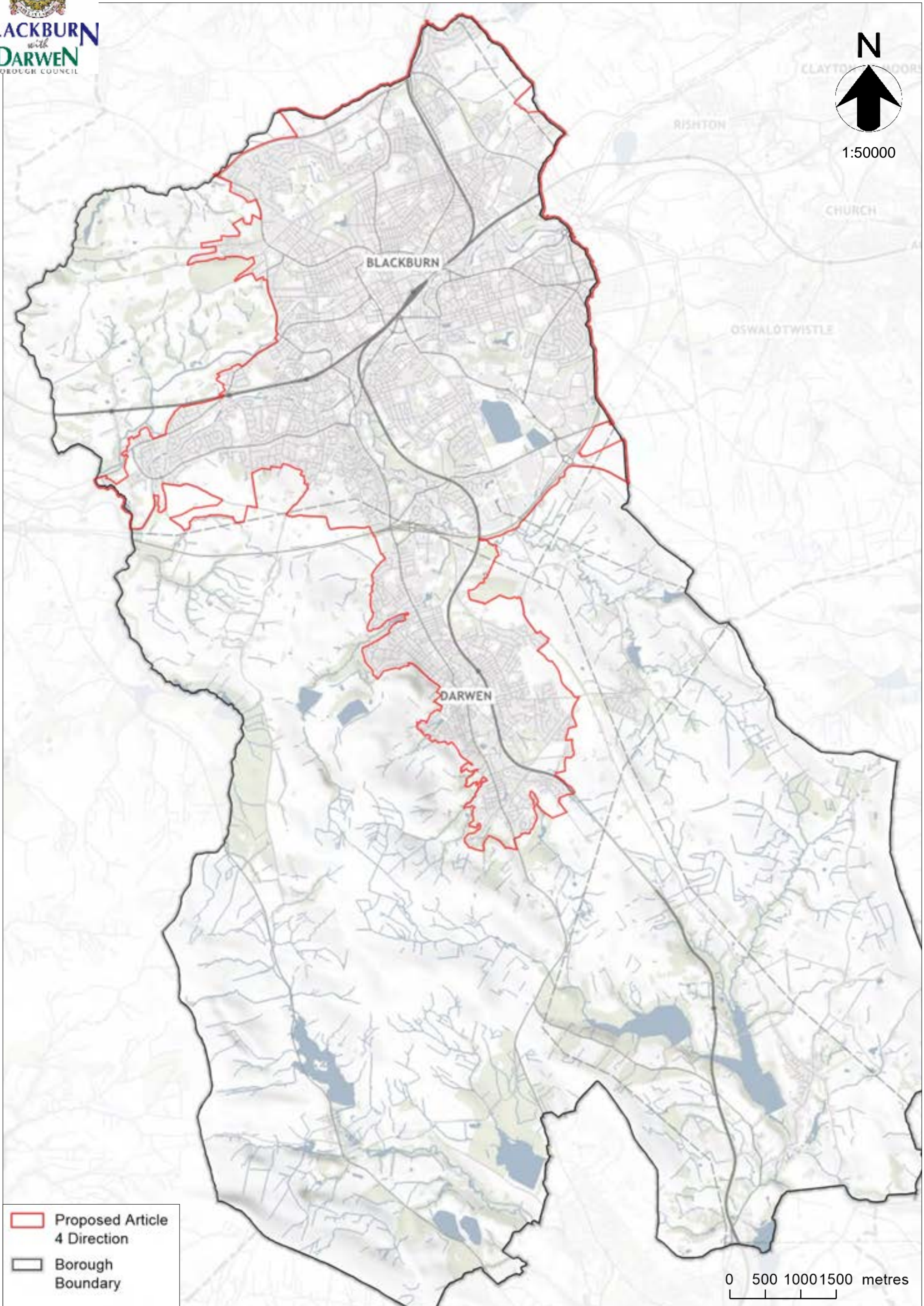




# Blackburn with Darwen Borough Council Proposed Article 4 Direction

August 2022



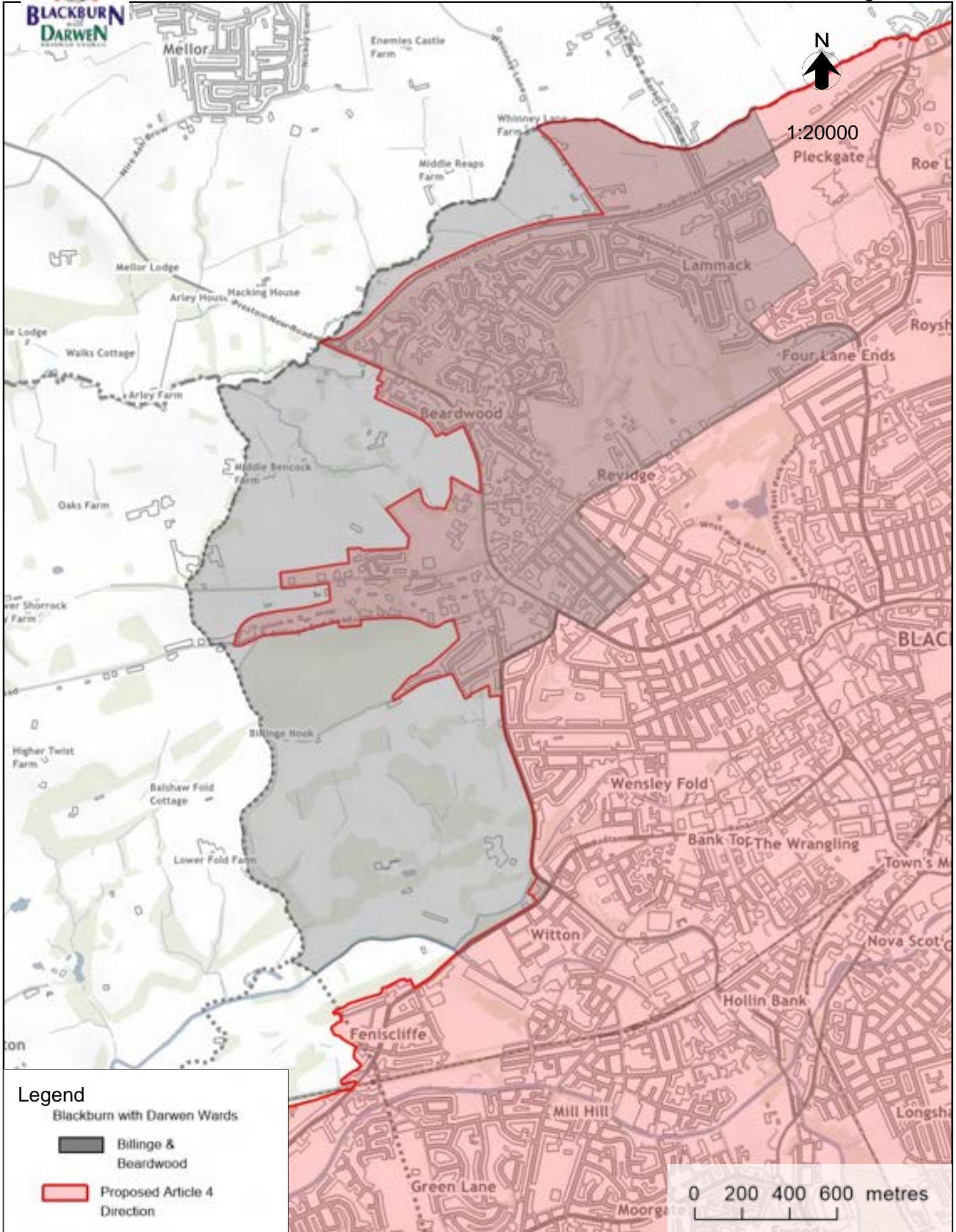
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**DARWEN**  
BOROUGH COUNCIL



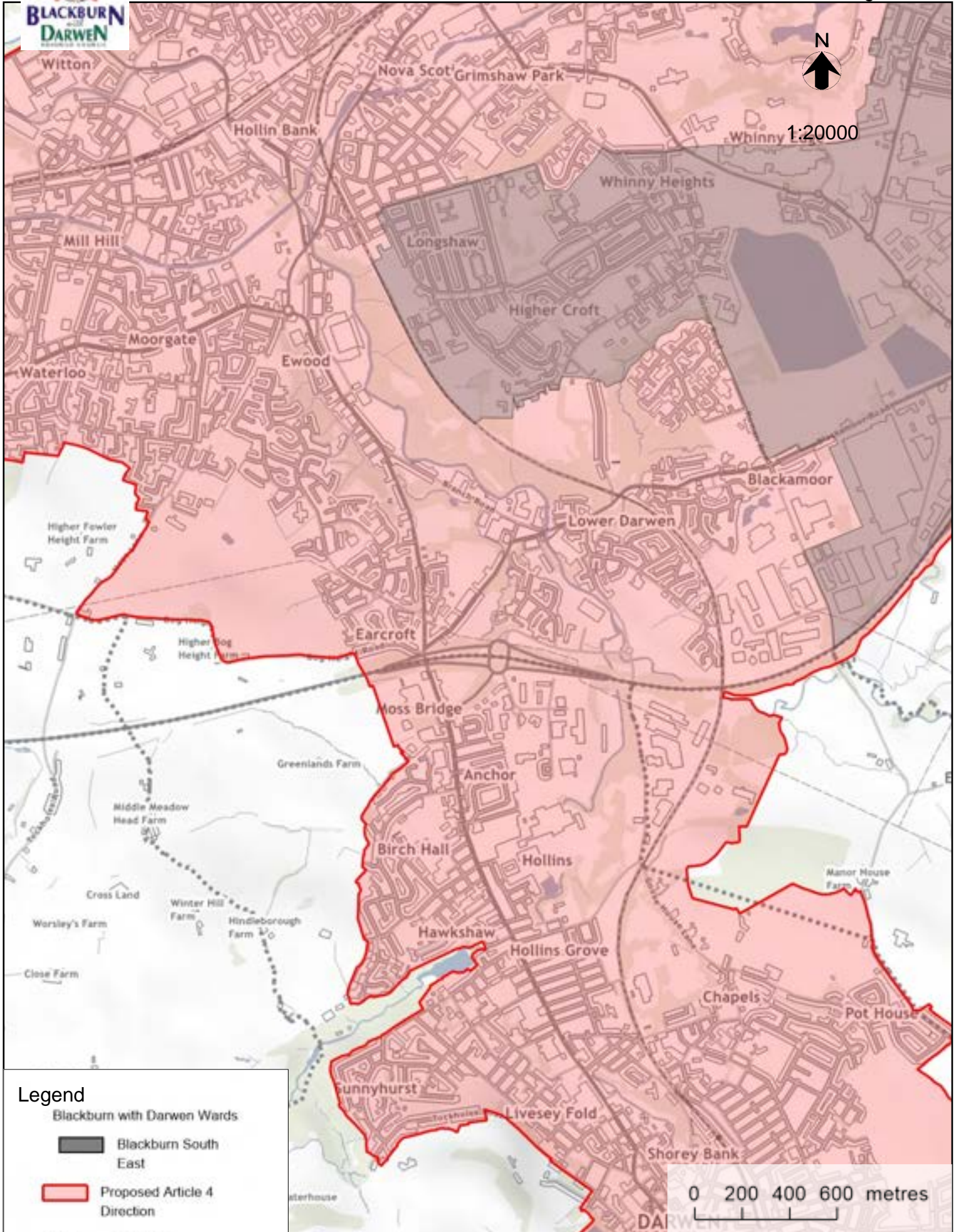
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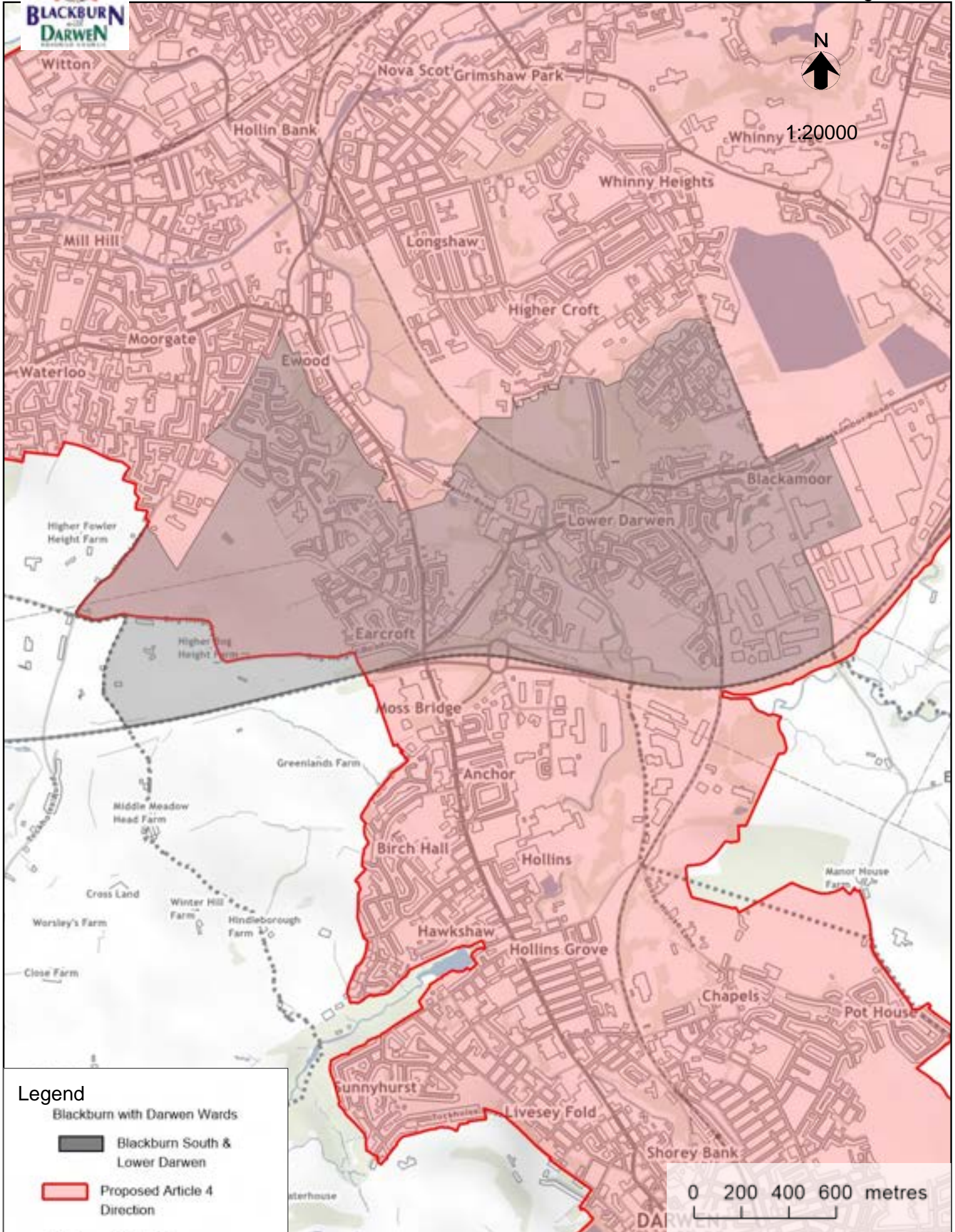
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Blackburn with Darwen Wards

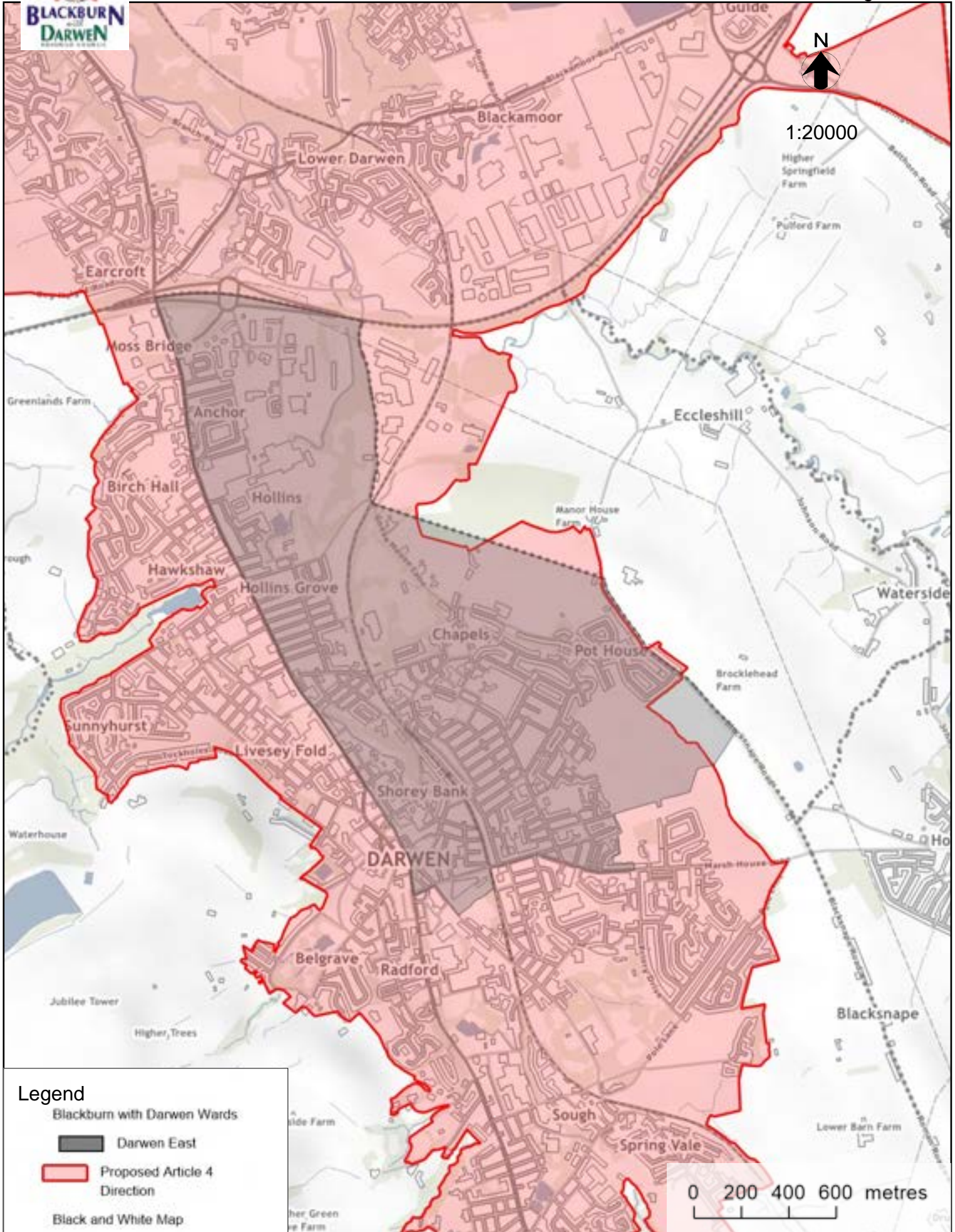
Blackburn South East

Proposed Article 4 Direction

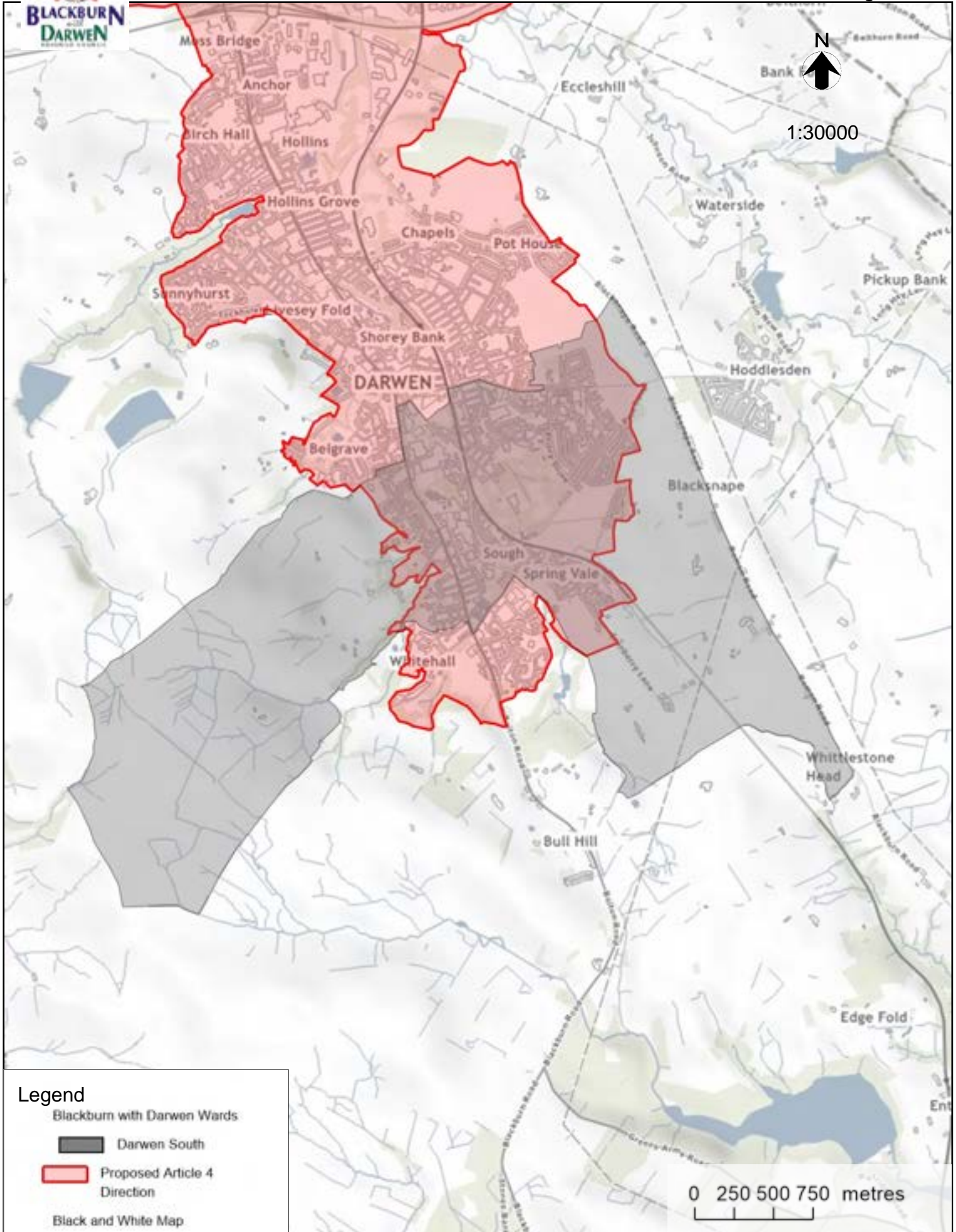


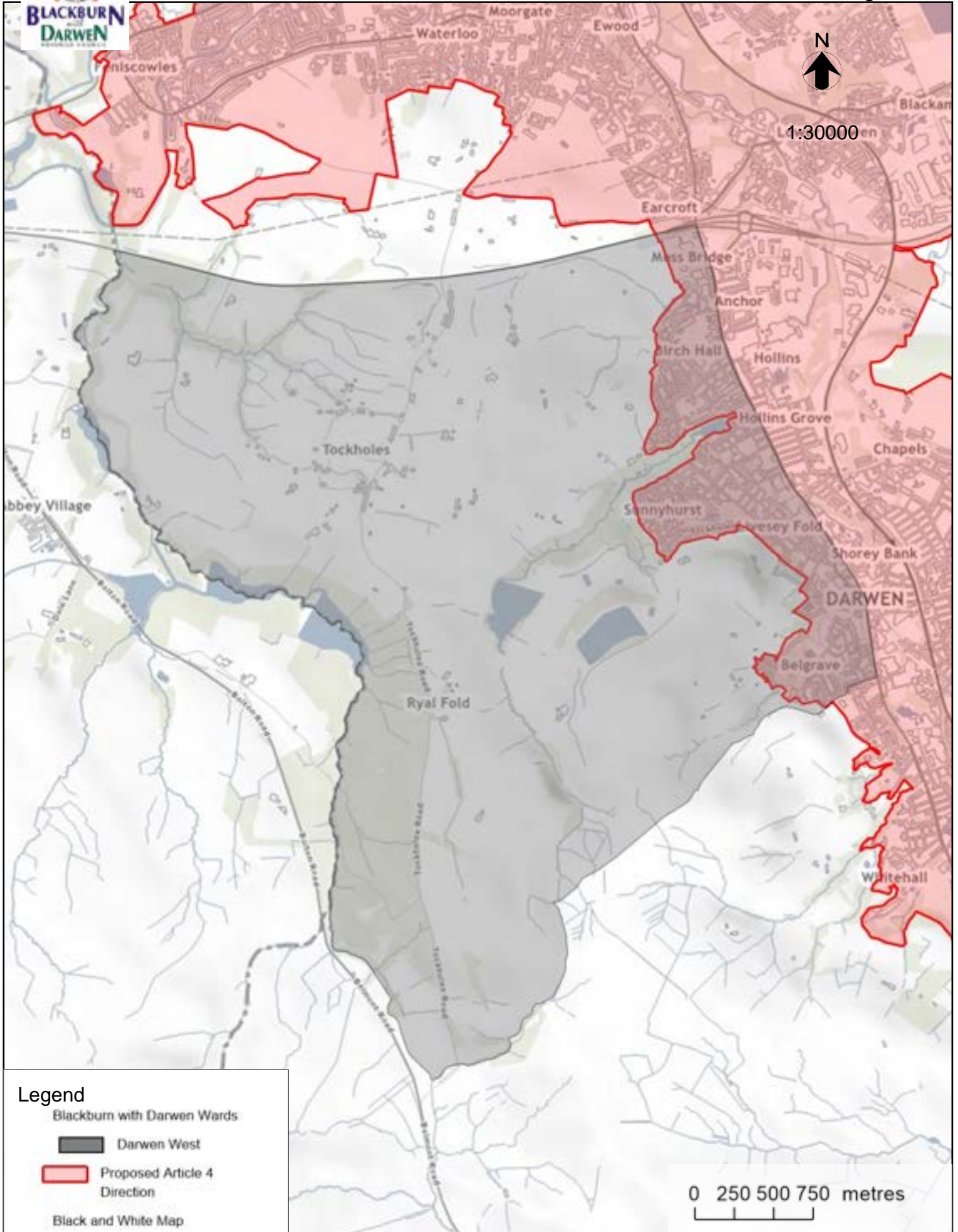




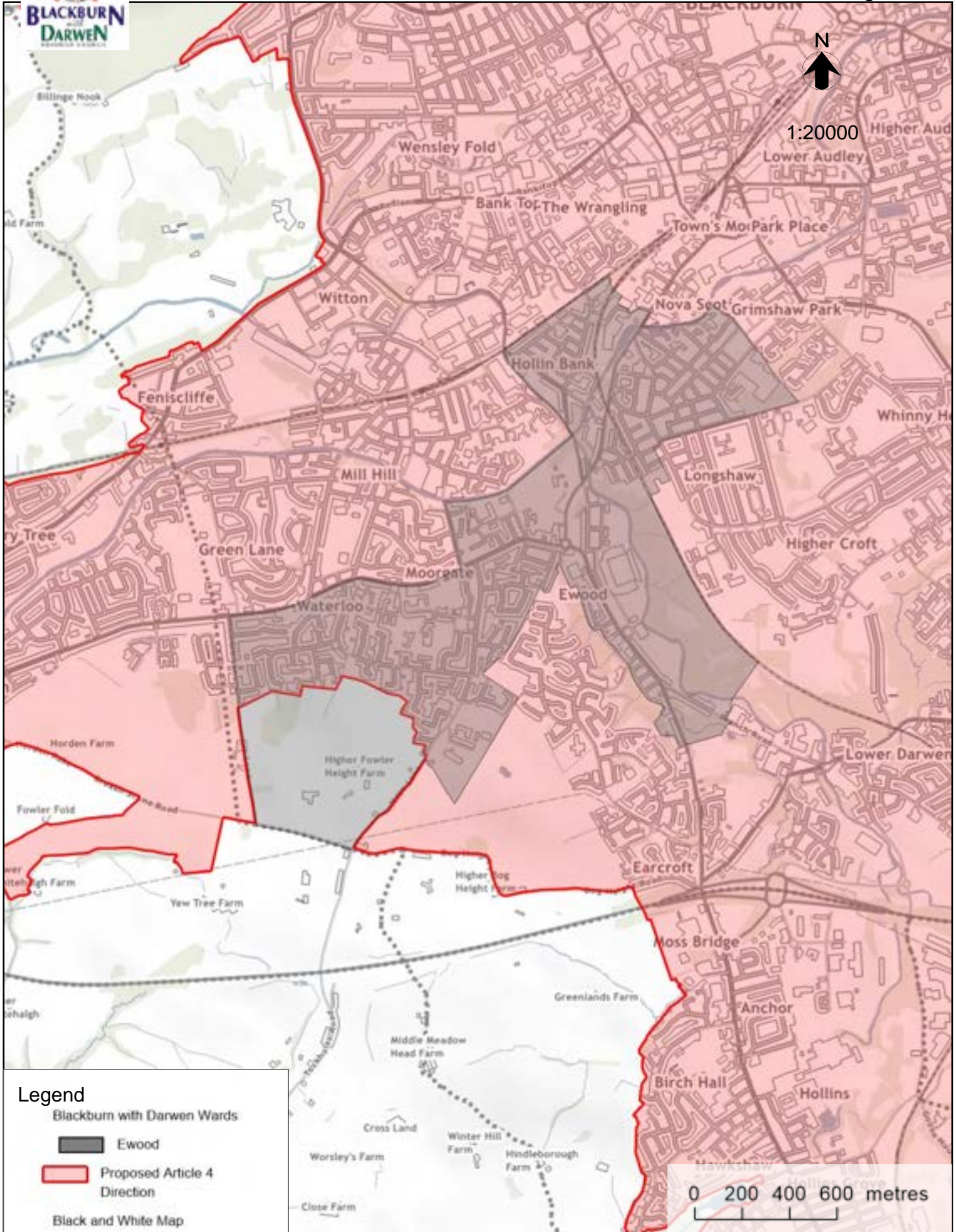













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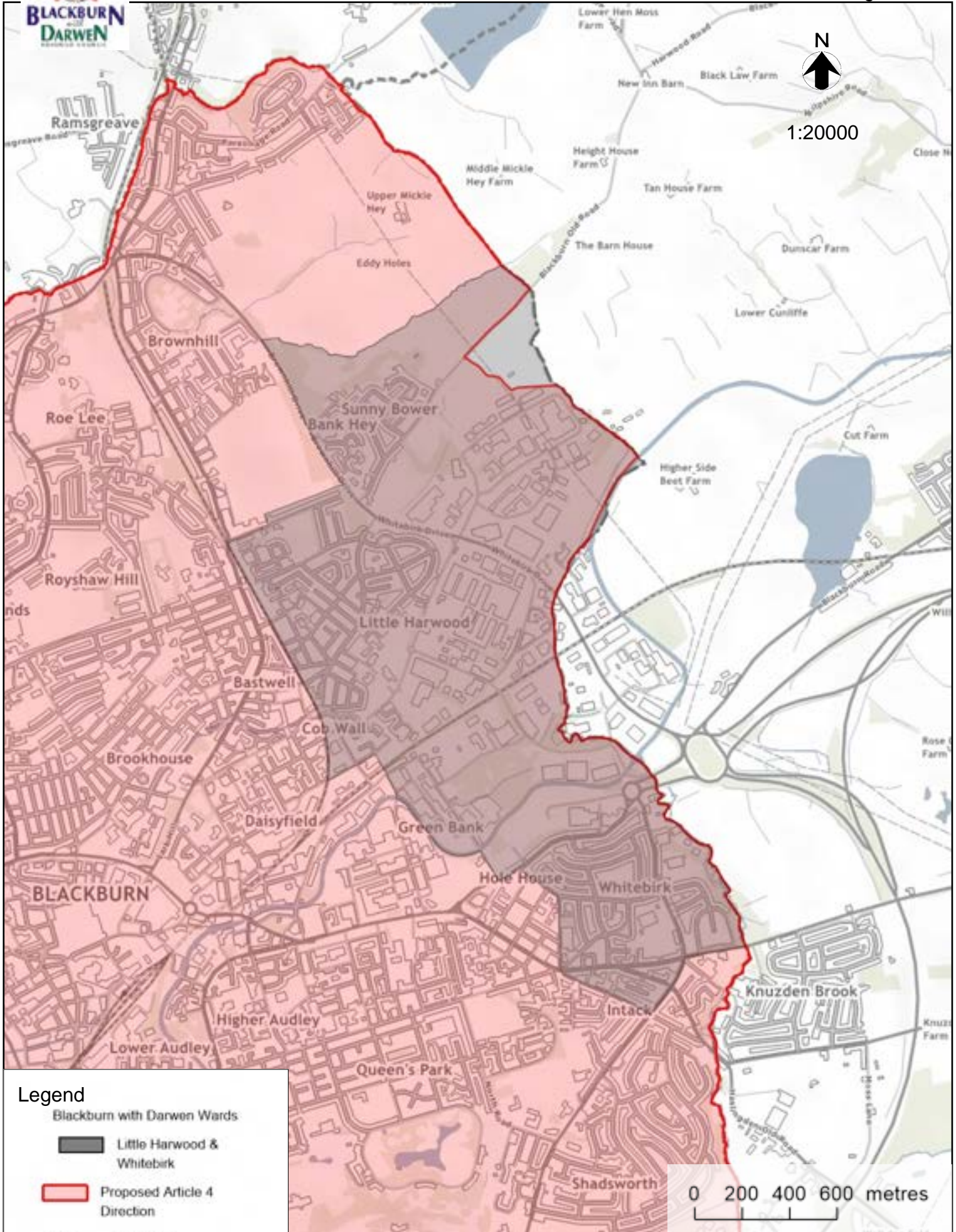
Blackburn with Darwen Wards

 Ewood

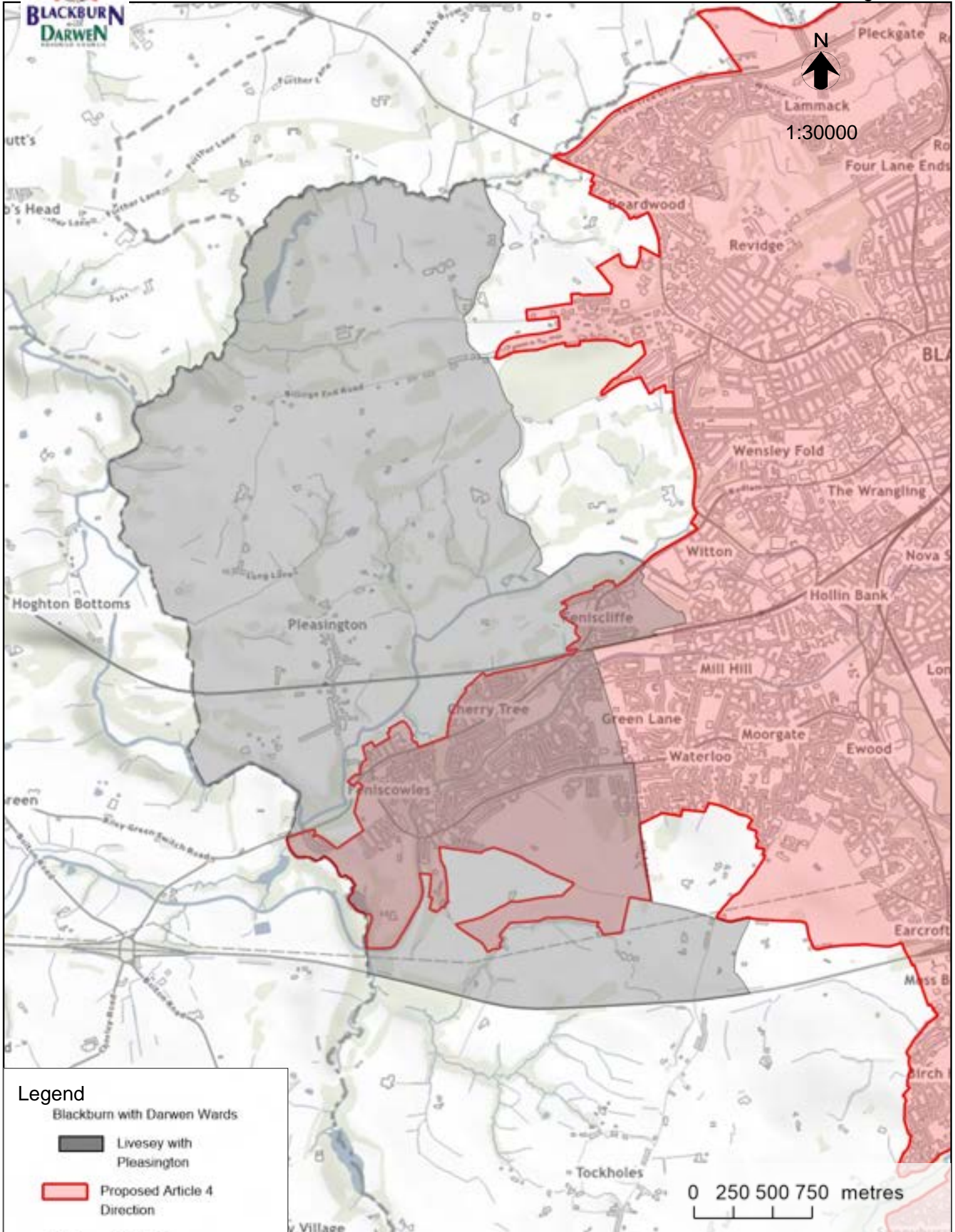
 Proposed Article 4 Direction

Black and White Map

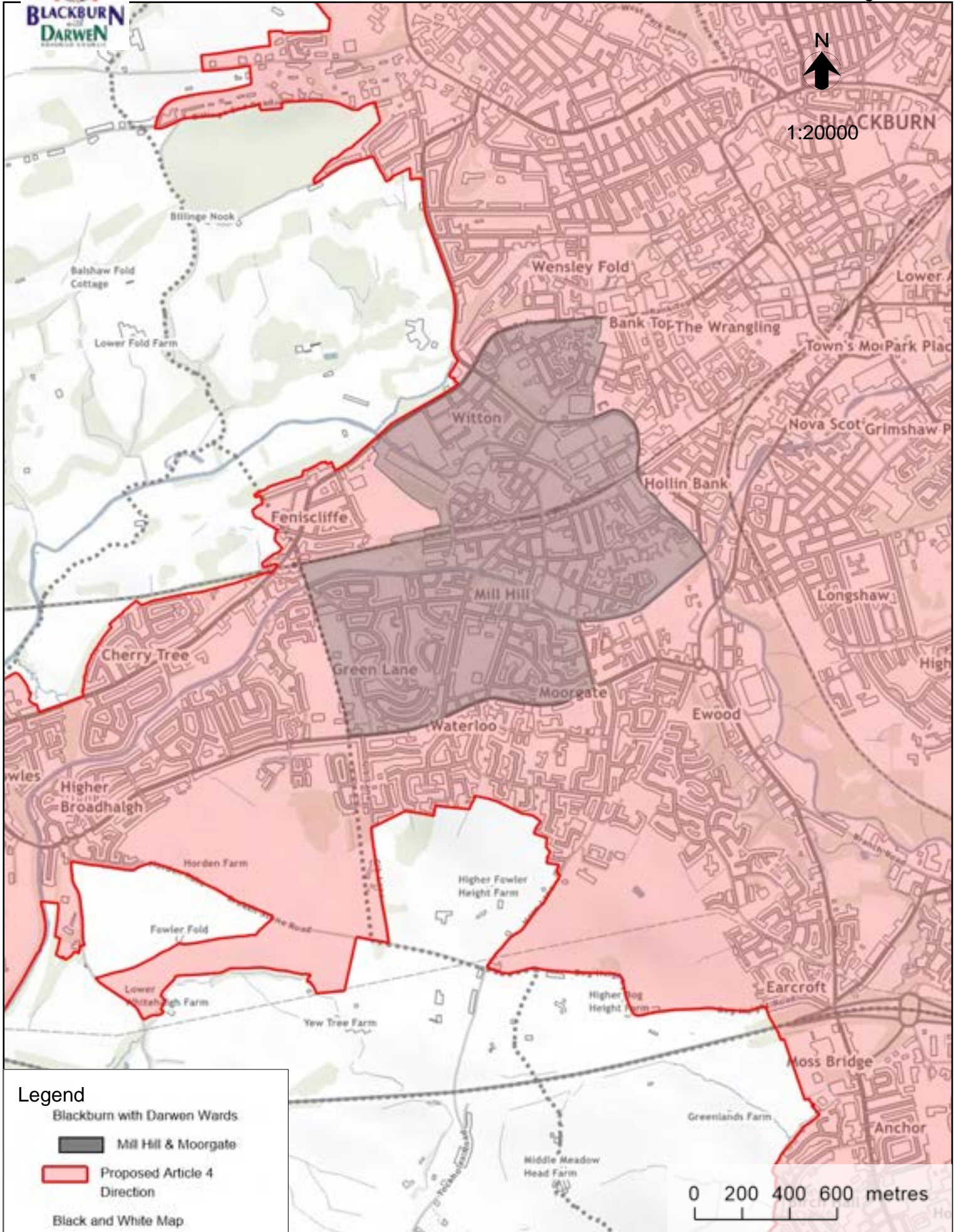




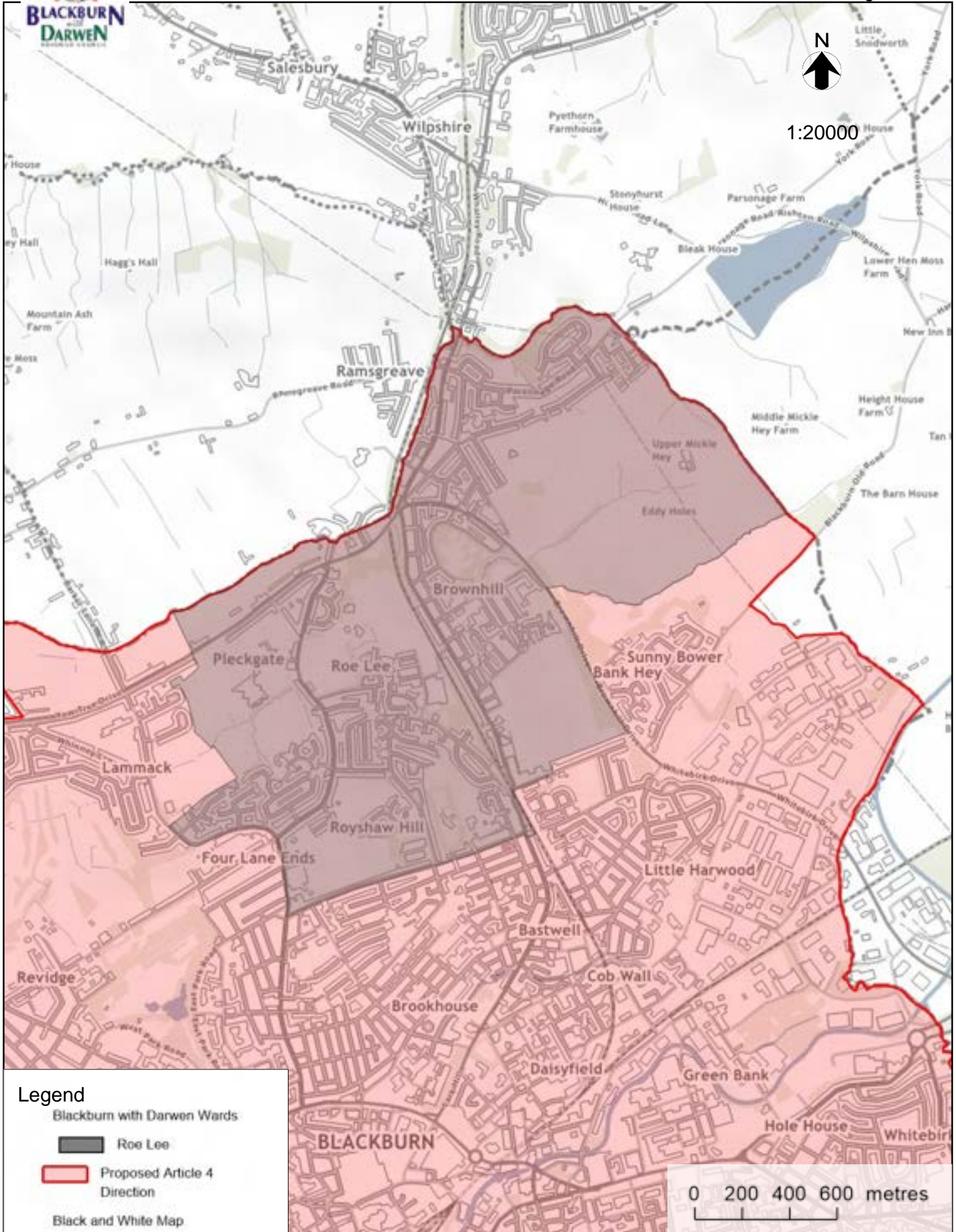












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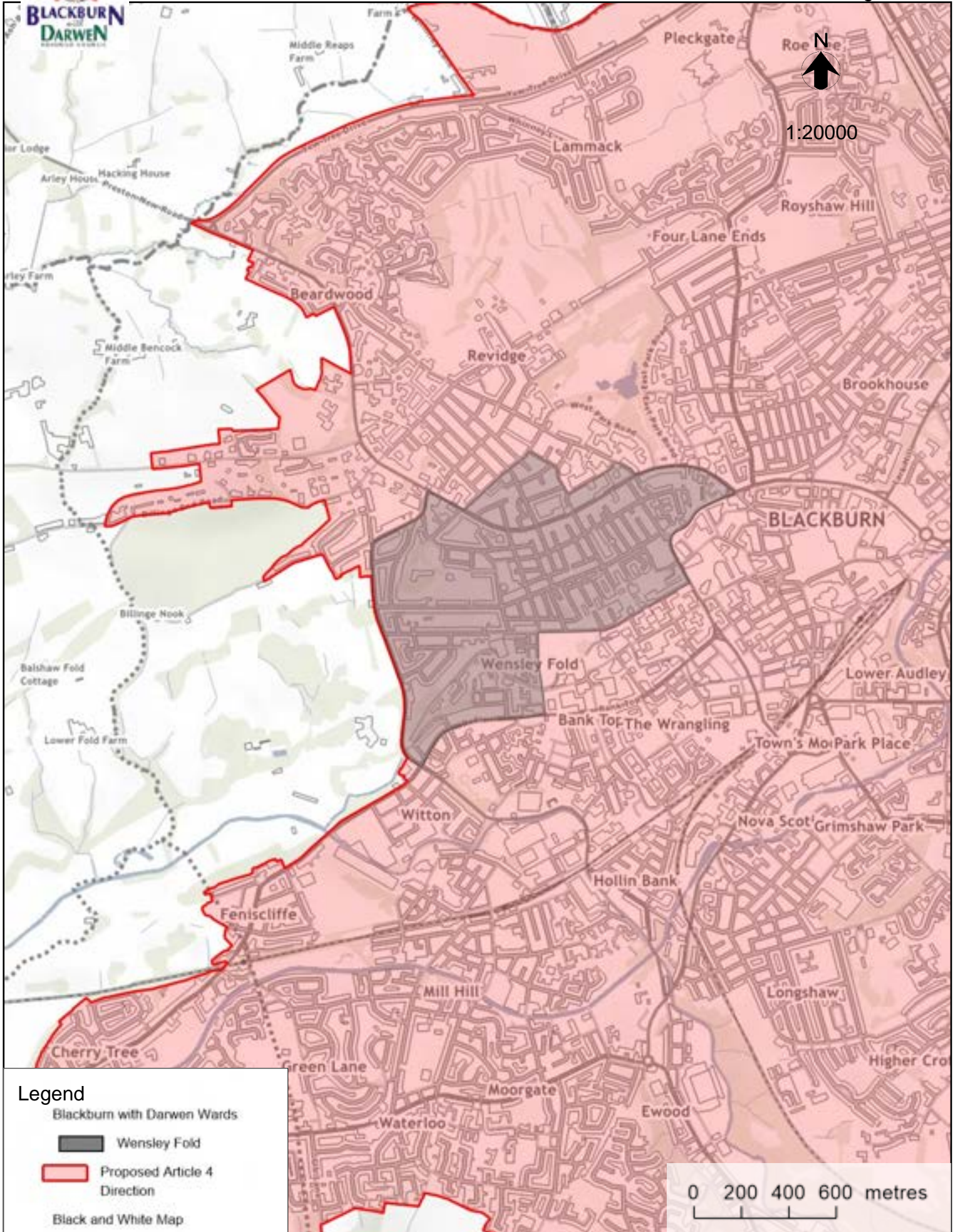
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▭ Proposed Article 4 Direction

Black and White Map





Legend

Blackburn with Darwen Wards

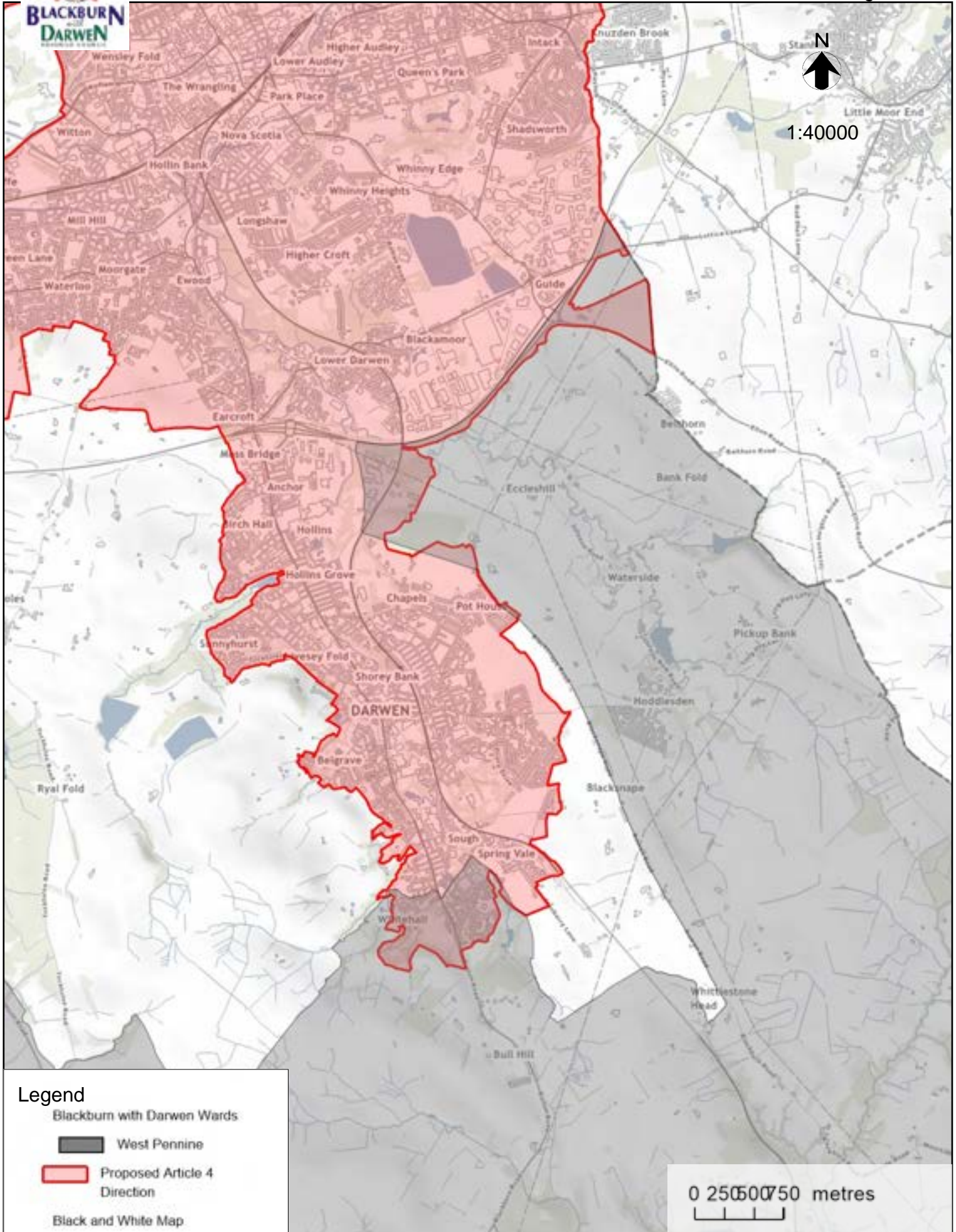
Wensley Fold

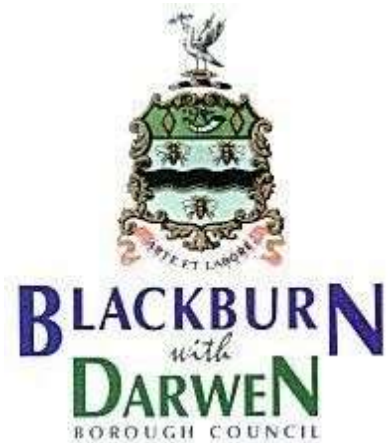
Proposed Article 4 Direction

Black and White Map

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**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/1990/21)

<sup>6</sup> [The Town and Country Planning \(Compensation\) \(England\) Regulations 2015 \(legislation.gov.uk\)](https://www.legislation.gov.uk/uksi/2015/1000)

### **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)

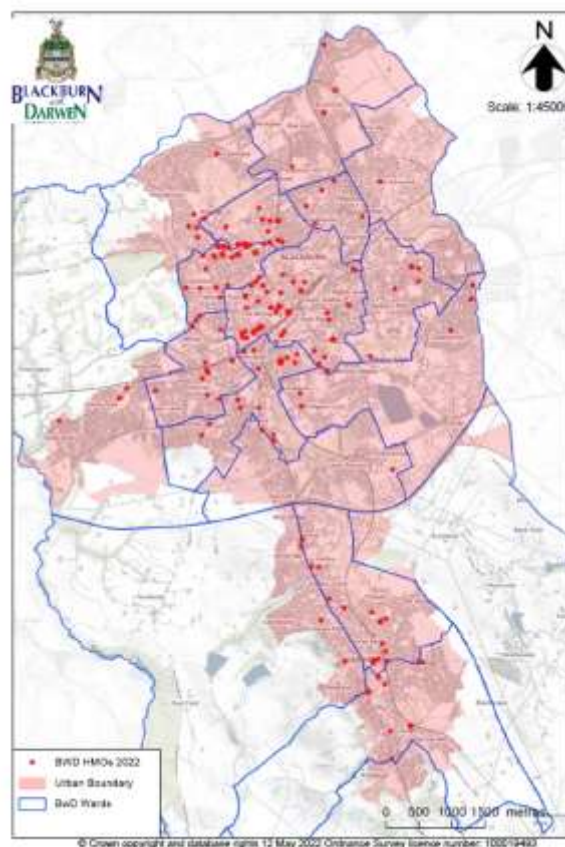
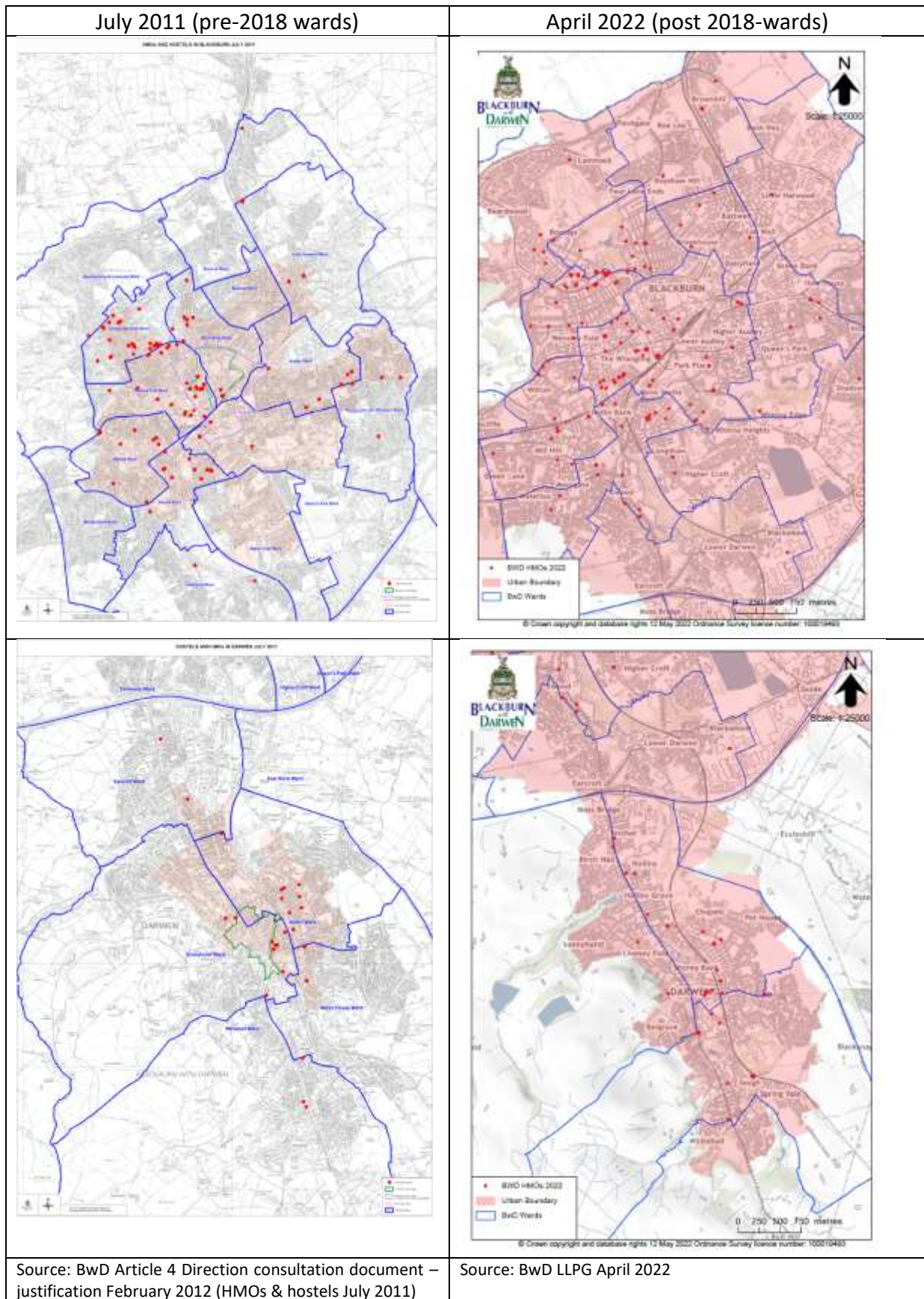


Figure 2: Comparison of HMO distribution in July 2011, with that of April 2022.



### **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***

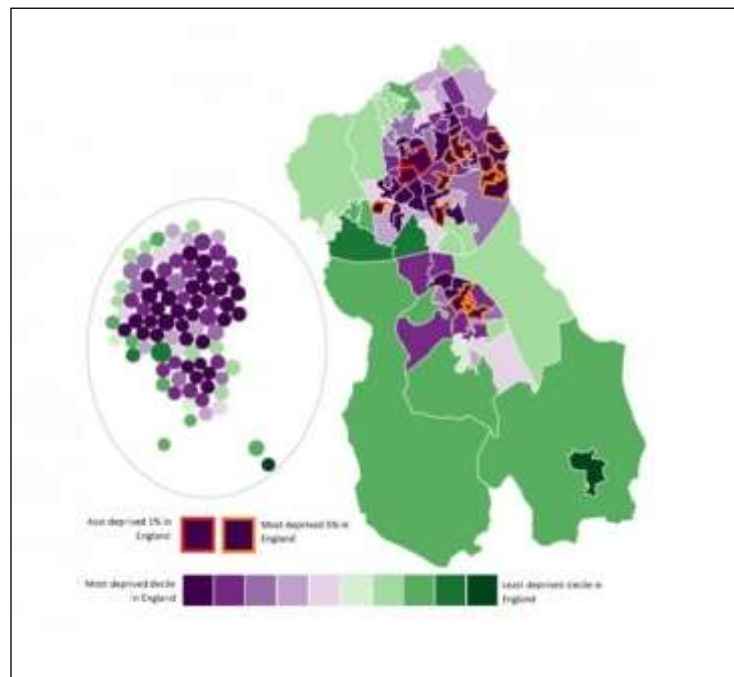
4.16 Blackburn with Darwen (BwD) covers 137 square kilometres and has a population of approximately 150,000 people (ONS 2020), with the number of people per km<sup>2</sup> around three times the England and Wales average illustrating a relatively high population density ([LCC Profile](#)). The population 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.

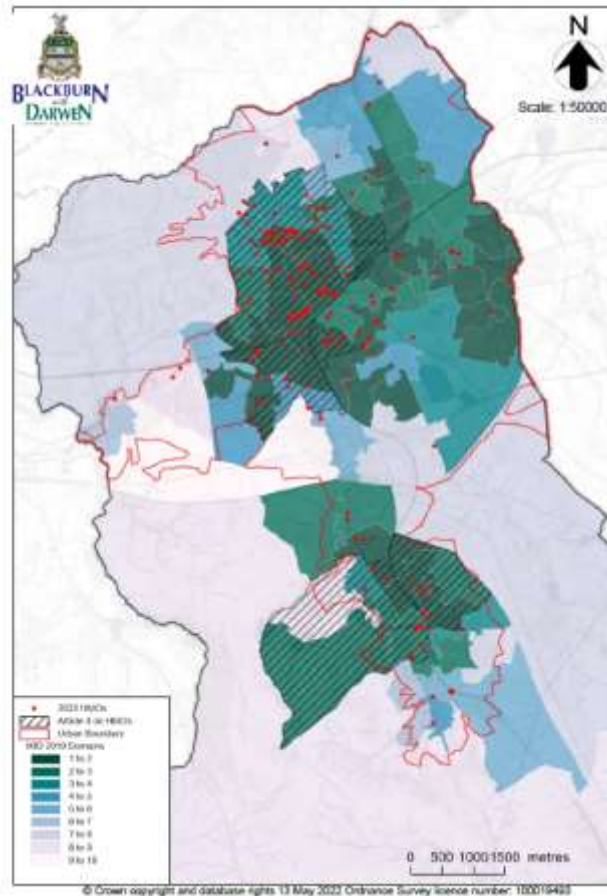
Table 5: Summary measures at Borough level

Summary measure	BwD Rank 2015 (out of 317 LAs)	BwD Rank 2019 (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

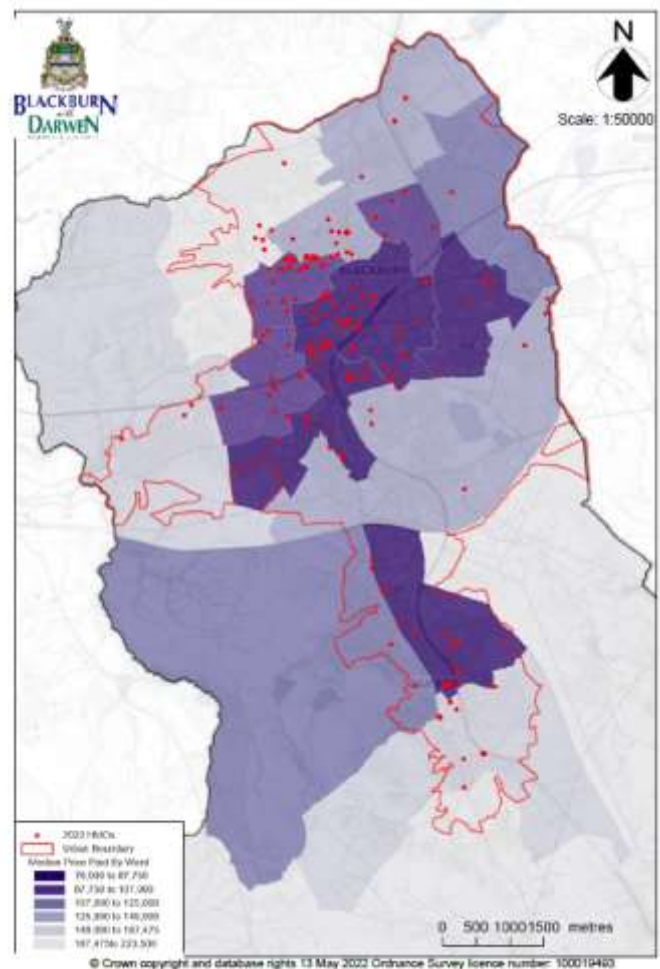
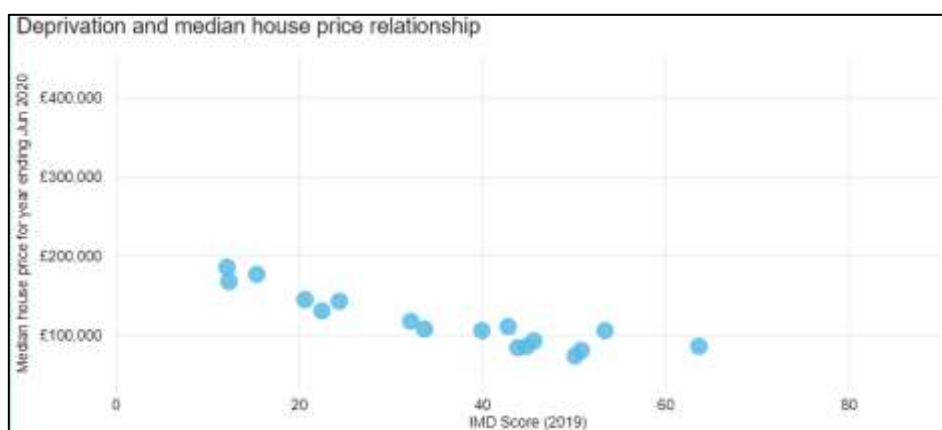




Figure 6: Deprivation and median house price relationships (Source: [LCC Insight](#)).



### 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 Darwe...	6.9	Blackburn with Darwen UA	6.9
NHS Blackpool CCG	7.1	Blackpool UA	7.1
NHS Chorley and South Ri...	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

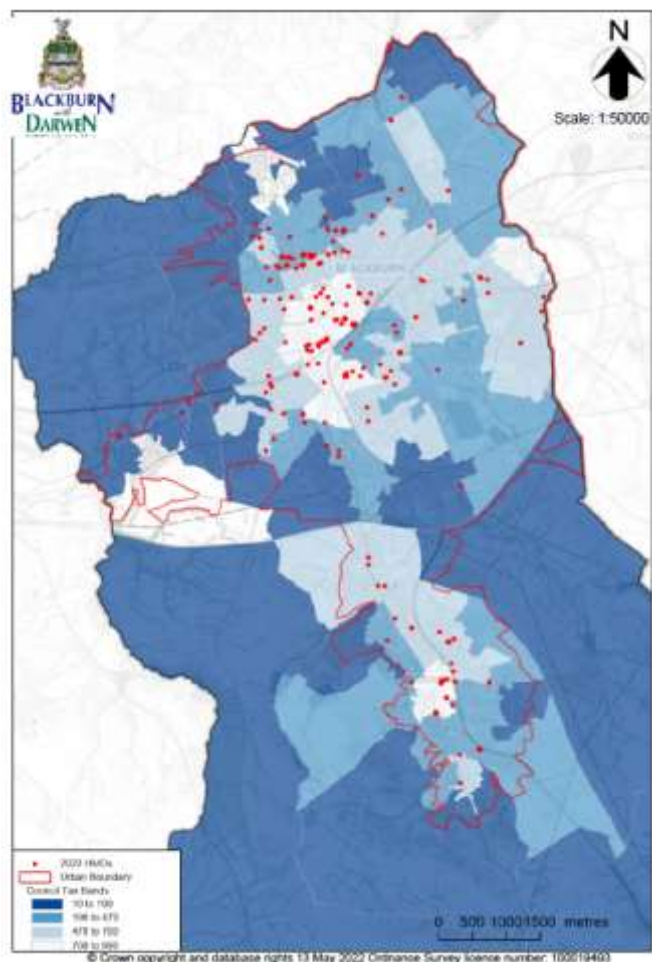
- 4.32 Overcrowding is more common for renters than owner-occupiers: nationally, 1.2% of owner-occupiers are overcrowded compared to 8.7% of social-renting households and 6.7% of private-renting households. Evidence suggests that overcrowding has a detrimental effect on household members' physical and 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)

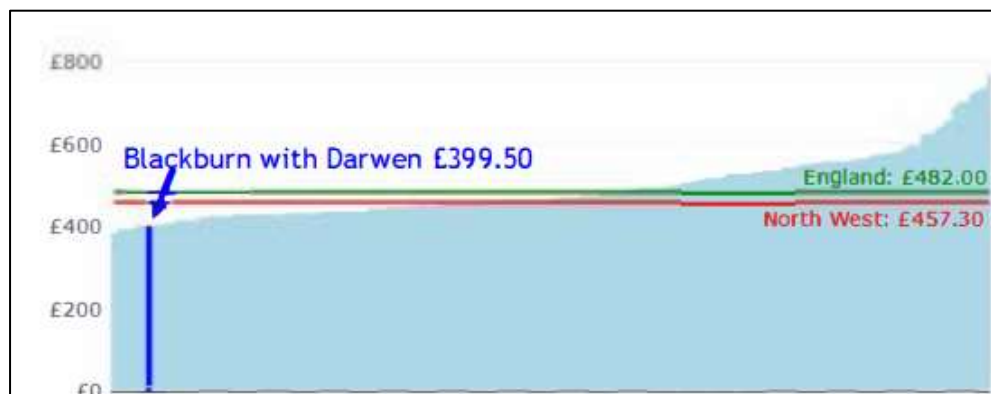
All people	Blackburn with Darwen	BwD %	NW %	GB %
Economically active	66,900	72.3	76.9	78.5
In employment	63,500	68.5	73.3	74.6
Unemployed	4,000	5.9	4.7	4.8

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%

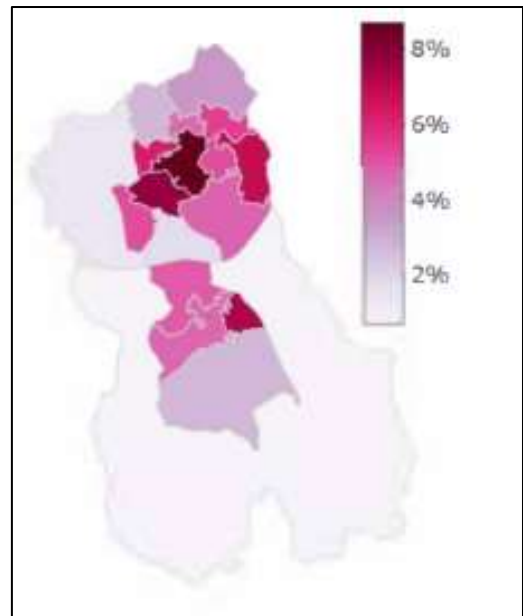
Source: NOMIS 2022 (from ONS annual population survey)



### 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.

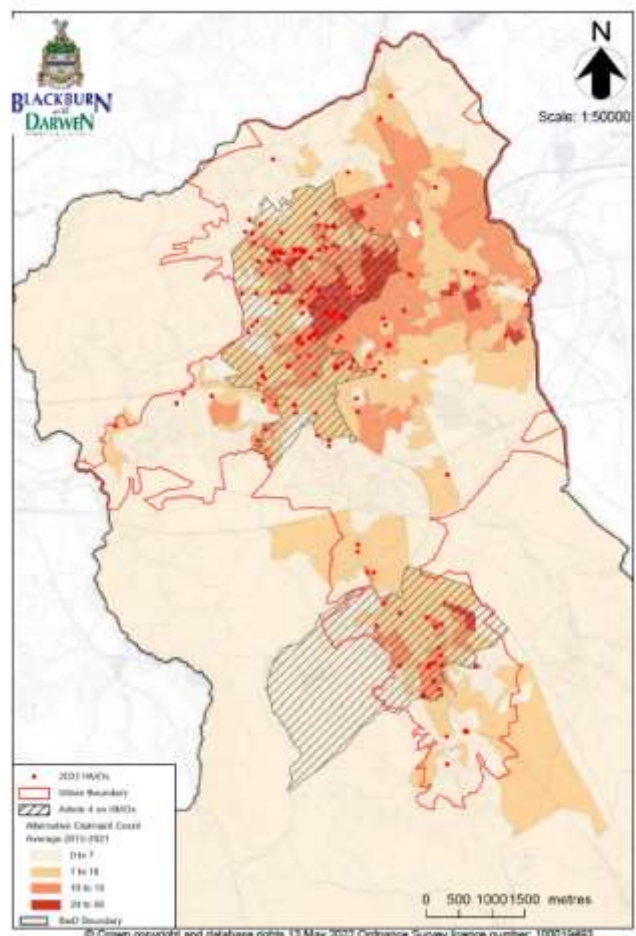
Figure 9: Claimant county rates as % of residents aged 16-64 (Source: JSNA 2020 p8 (December 2019 data))



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.

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

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

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](#)).

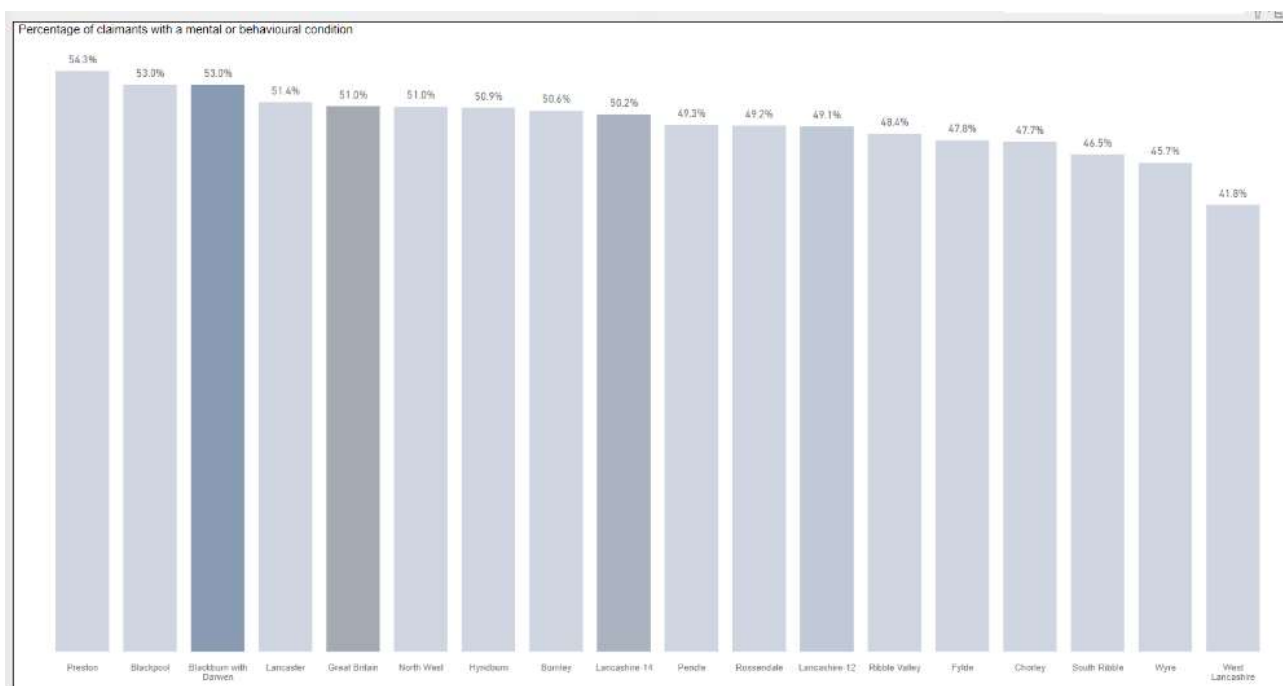


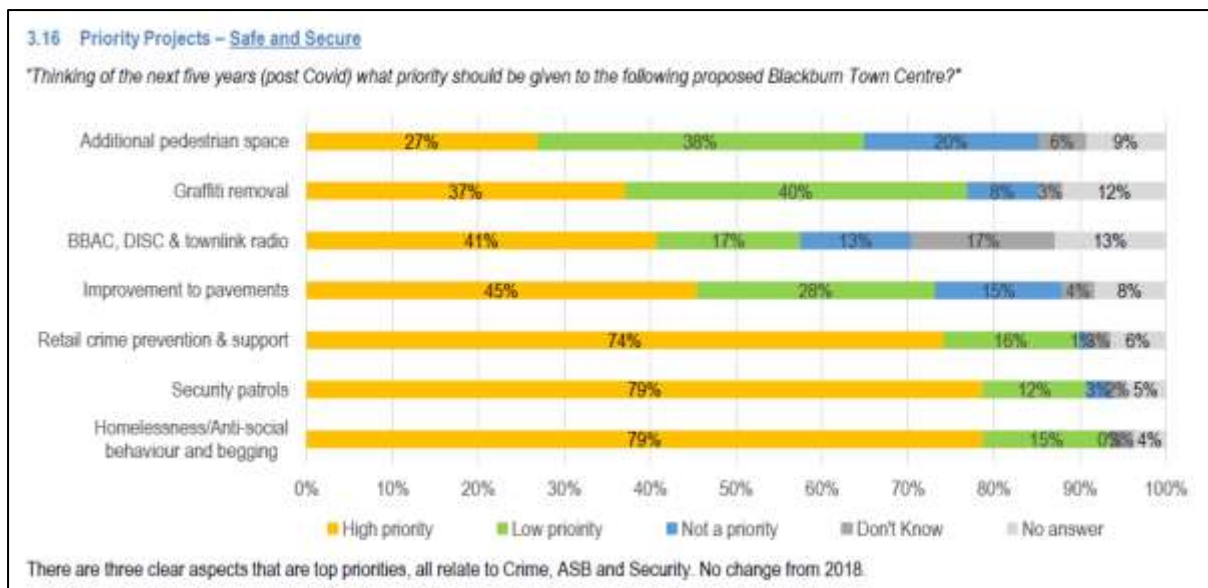
Figure 11: Percentage of ESA claimants with a mental or behavioural problem (Source: [LCC Insight 2019](#))

**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](#))

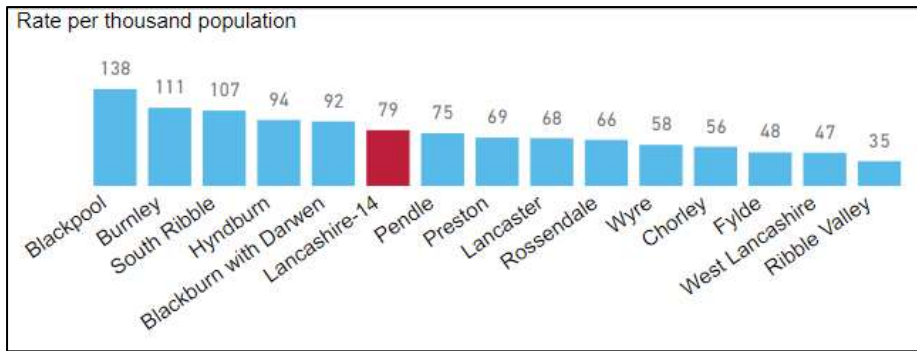
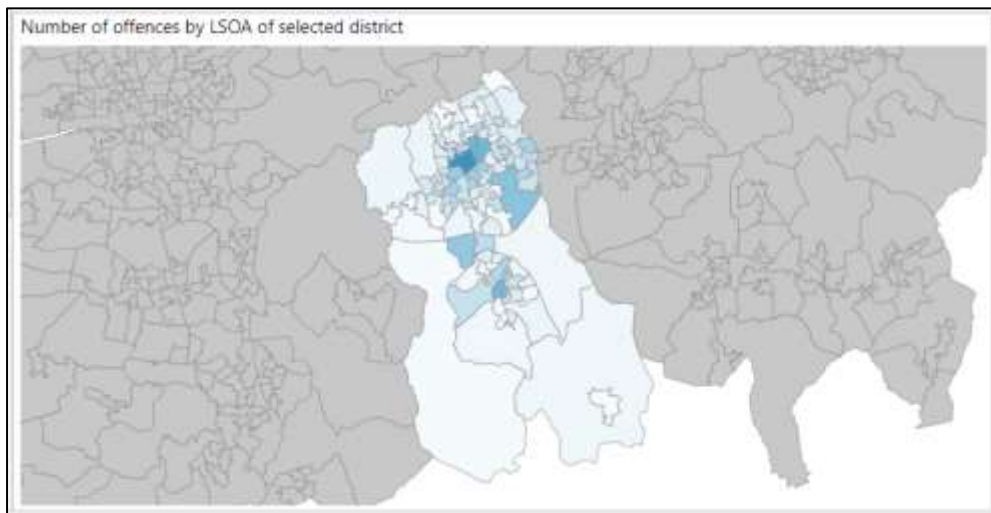
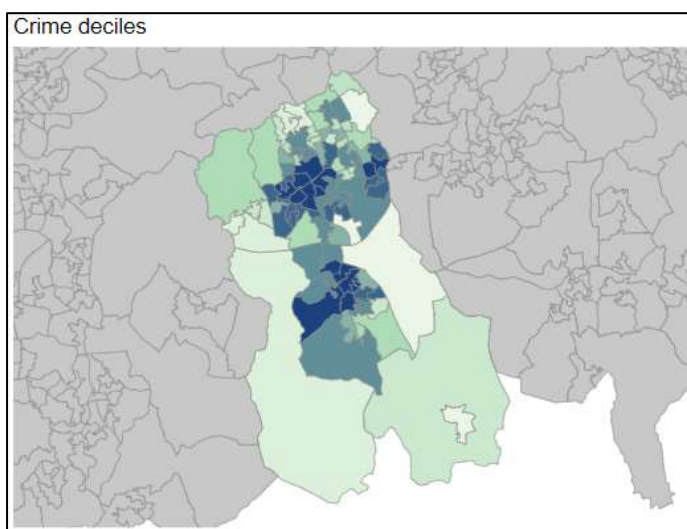


Figure 14: Distribution of Anti-social behaviour offences March 2021-Feb 2022 (Source: [LCC Insight 2022](#))



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	Recent Trend	Blackburn		Region England			England		Best
			Count	Value	Value	Value	Worst	Range		
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		296	
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	14.8	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)

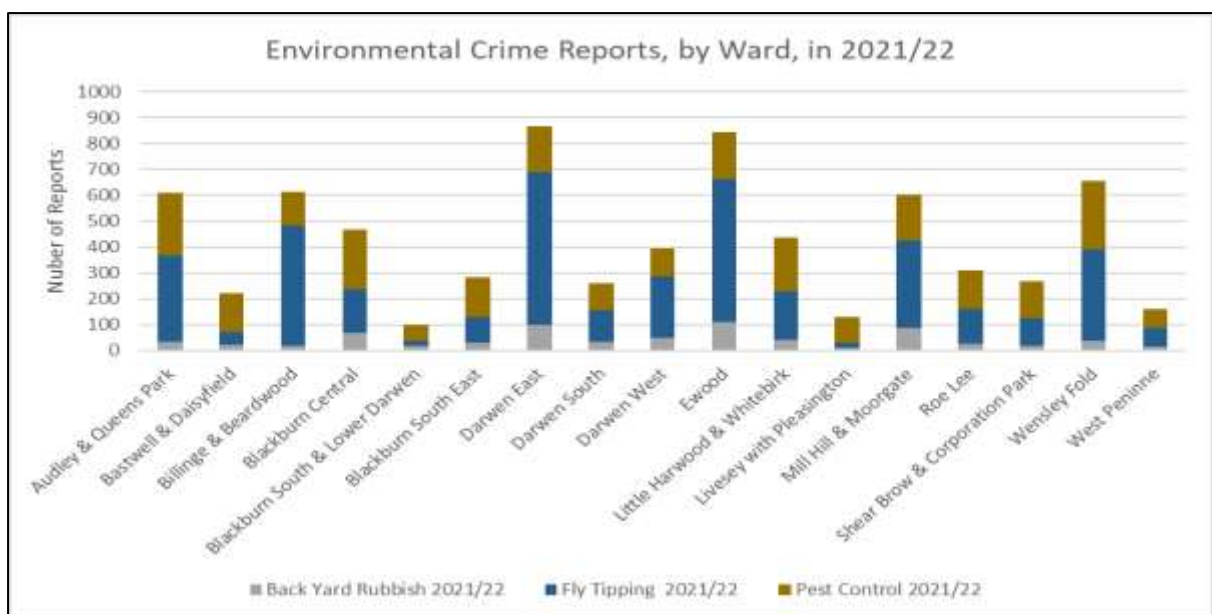
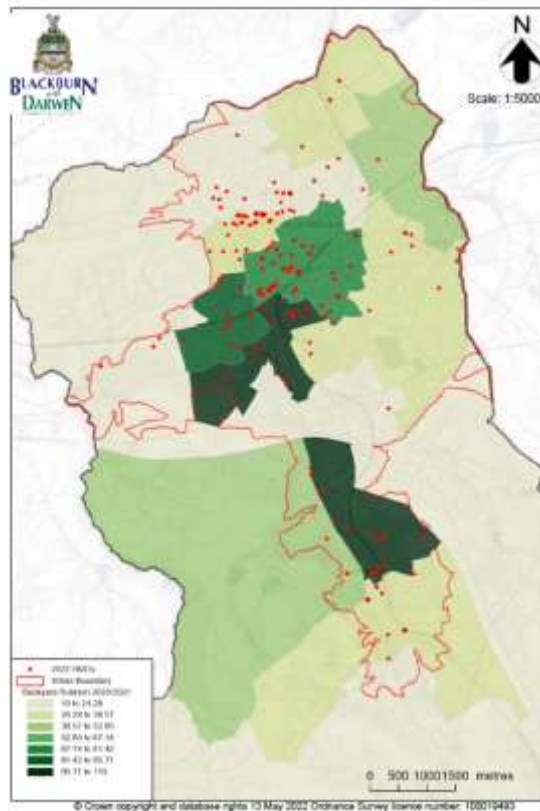


Figure 18: Environmental crime (back yard rubbish), by ward for 2021/22, shown against HMOs (Source: BwdBC EnviroCrime 2022; BwdBC LLPG 2022)



## **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.

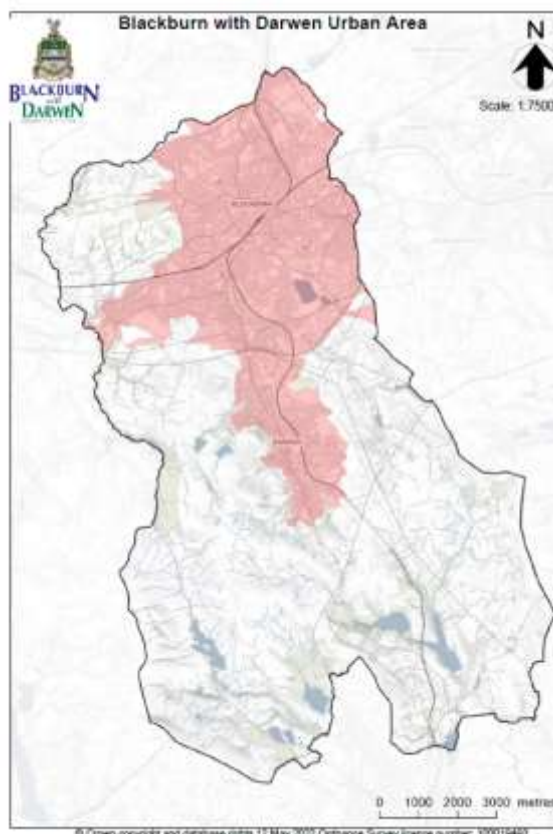
5.5 This area is shown on the map at Fig 19.

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.

# **Blackburn with Darwen Borough Council**

## **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)*

### **CONSULTATION FEEDBACK REPORT**

**November 2023**

## 1.0 Consultation and Publicity

- 1.1 The Council are proposing to introduce a new non-immediate Article 4 Direction to remove permitted development rights relating to the change of use from a dwellinghouse (Use Class C3) to a House of Multiple Occupation (HMO) (Use Class C4). Introducing a non-immediate Article 4 Direction is a two-stage process to 'make' and then 'confirm' the direction. The first stage of 'making' the Direction involves the Council carrying out local consultation within the areas where the proposed Direction will take effect. This provides the opportunity for stakeholder groups, local residents, property owners and property agents to make comments on the proposed Direction. The Council are also required to notify the Secretary of State of the proposal.
- 1.2 Consultation must be meaningful and considered in order to be effective and not potentially subject to judicial review. Should the Council receive any representations that it considers require a material change to the proposed Direction, there may be a need to make a new Direction and repeat the consultation exercise before the Council can progress to confirming any Direction.
- 1.3 Council Forum confirmed their approval for the 'making' of the Direction, and the subsequent consultation period, at the meeting on 28 July 2022.
- 1.4 The Article 4 Direction was 'made' on the 8 August 2022. In accordance with legislative requirements, the Secretary of State was notified of the Direction on the same day (via email notification). The following publicity and consultation then followed:
- **Press notice** – published in the 'Lancashire Telegraph' and the 'Bolton News' on 11 August 2022
  - **Site notices** – over 50 site notices were displayed across the Borough (typically 4-5 notices in each ward, within the urban areas). They were posted 8-10 August 2022, and then, in accordance with requirements, re-checked during the consultation period to ensure the notices had not been taken down or de-faced<sup>1</sup>.
  - **On deposit** – All materials, including the Direction and accompanying maps of the proposed Direction area, the Notice of Direction and the Justification Report were placed 'on-deposit' at all local libraries in the Borough, and at the Blackburn and Darwen Town Halls.
  - **Council Website** – All materials, including the Direction and accompanying maps of the proposed Direction area, the Notice of Direction and the Justification Report were available on the Council website at:  
<https://www.blackburn.gov.uk/planning/planning-policies-strategies-and-guides/housing-space-standards-policy-and-hmos>
  - **Email and Letter Notifications** - were sent to: the Crown and Statutory Undertakers, statutory consultees, general and public consultees (including the Local Plan consultation database) and all Councillors. Separate notification was also sent to the Secretary of State in accordance with the legislative requirements.
  - **Press release** – released to local media. Included by the Lancashire Telegraph on 6 September 2022 ([link](#)).
- 1.5 Consultation was open for a 6 week period from Thursday 11 August 2022 to Friday 23 September 2022. Views were invited by post or email.

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<sup>1</sup> For reasons of proportionality and resources, a random selection were checked. All had remained in situ.



## 2.0 Consideration of all comments received through the consultation

- 2.1 The Council must consider all comments received during the consultation. A total of 8 comments were received through the consultation – all of which either raised no comments or gave support for the introduction of the direction. In the case of Blackburn and District TUC, substantive qualitative comments were raised.
- 2.2 To demonstrate how the Council has considered each representation, this section details a summary of each of the comments received during the consultation period, and then provides the Council's comments / recommendations in response.
- 2.3 As set out below, the Council consider that there were no comments received that require a material change to the proposed Direction. Therefore, there is no reason why the Council cannot proceed to confirm the Direction and the date on which it will become effective. This will be subject to further Council approval, and then further publicity in accordance with the legislative requirements – this includes giving notice of the confirmation, and notifying the Secretary of State.

<b>Id.</b>	1
<b>Name</b>	Historic England
<b>Representor comments:</b>	
Thank you for consulting Historic England on the above proposed Article 4 Direction. We do not wish to make comments at this time.	
<b>Summary:</b>	No comments
<b>Council Comments / Actions:</b>	
Response noted.	

<b>Id.</b>	2
<b>Name</b>	Darwen Town Council
<b>Representor comments:</b>	
Darwen Town Council supports this proposal and would ask that you forward the council's support to the relevant body.	
<b>Summary:</b>	Supports
<b>Council Comments / Actions:</b>	
Support for the introduction of the Article 4 Direction noted.	

<b>Id.</b>	3
<b>Name</b>	Public
<b>Representor comments:</b>	
[Summary]: This change is long overdue. There are many shops and financial institutions I would prefer to use at local level and I travel elsewhere because of issues related to HMO occupants. It does not reflect well upon the town and why should outsiders come here and take up the hospital services and other local support services like mental health. The local support services are or should be provided for local residents who have lived here for sometime and contributed to the community at some point in whatever way. Yes, the sooner the better to bring a stop to all this and certainly reduce it. You won't increase the prosperity for this town if you allow it to mushroom further.	
<b>Summary:</b>	Supports

<b>Council Comments / Actions:</b>	
Support for the introduction of the Article 4 Direction noted.	

Id.	4
Name	Community CVS
<b>Representor comments:</b>	
<p>Please accept this e-mail as a response to the Article 4 Direction Consultation and as confirmation that Community CVS, which is a membership based charity involving hundreds of local community groups, charities and social enterprises that operate across Blackburn with Darwen, is supportive of introducing the Article 4 Direction as a way of controlling the numbers and locations of HMOs within our urban neighbourhoods.</p> <p>Many of our local community groups have verbally expressed concerns around the impact that HMO's can have on neighbourhood life. There is a role for HMOs, but the number and location of HMOs needs to be controlled. The introduction of the Article 4 Direction would help by placing their creation within the planning process. The introduction of Article 4 Direction should be part of a package of measures to ensure that our housing provision and support for homeless people provides the right level of support to meet the needs of our local population.</p>	
<b>Summary:</b>	Supports
<b>Council Comments / Actions:</b>	
Support for the introduction of the Article 4 Direction noted.	

Id.	5
Name	Natural England
<b>Representor comments:</b>	
Natural England has <u>no comments</u> to make on this application.	
<b>Summary:</b>	No comments.
<b>Council Comments / Actions:</b>	
Response noted.	

Id.	6
Name	Coal Authority
<b>Representor comments:</b>	
It is noted that this current consultation relates to an Article 4 Direction to remove permitted development rights for change of use from Class C3 to C4. I can confirm that the Planning team at the Coal Authority have no specific comments to make on this consultation.	
<b>Summary:</b>	No comments.
<b>Council Comments / Actions:</b>	
Comments noted.	

Id.	7
Name	Blackburn and District Trades Union Council
<b>Representor comments:</b>	

I am writing to submit the comments of Blackburn and District Trades Union Council in response to your Consultation on an Article 4 Direction on Houses of Multiple Occupation.

As a broad principle we have no objections to the idea that proposals to convert residential properties into HMOs should be subject to planning permission. We approach the issue, indeed, from a perspective of not being particularly impressed by national policy in the first place.

We think a degree of oversight is reasonable, considering the impact HMOs can have on neighbours and to check that adequate attention is paid to potential problems. We have heard, for instance, that the storage and collection of household waste can be an irritant where there are HMOs.

We are also aware that the landlords of these HMOs can claim higher housing allowance rates in many cases, and it may be that more could be done to ensure they are providing value for money in terms of support and quality of accommodation.

At the same time, however, we are a little concerned that the motivation presented by the Borough seems to be dominated by dissatisfaction at the numbers of HMOs, without there being much said about the local housing needs of young people in particular.

We noted in our response to the Borough's Consultation on the "Local Plan" that: "It does not appear to make any attempt to assess the level of "sofa-surfing" and precarious accommodation in the Borough. Anecdotally, it seems to us that young men can have difficulty finding stable accommodation (which leads to adverse economic and social consequences for the whole community)" and "that there remains a need for specific research on the accommodation needs of young people in the Borough, leading to some idea of what sorts of developments might best address their needs".

The Article 4 Direction "Background Document" does not really give us much confidence that this sort of study has been done, though the Borough did say as part of the Local Plan Consultation that the issue was something that required further consideration.

A 2017 #personfirst study for "Healthwatch" - "Blackburn with Darwen's Homeless Population" - noted that "The largest type of household group that BwD Housing Needs provide assistance to are singles with no dependent children. This group has risen from 377 (41.2%) in 2008/9 to a high of 1283 (66.7%) in 2013/14".

It does not follow that HMOs are the best solution. But it may be that they are not simply a "supply side" issue arising from the availability of low cost-housing, which the "Background Document" seems to highlight. They could also be seen as a response to local needs and taken as a signal that more needs to be done to try to ensure that local young people have more appropriate accommodation opportunities available.

As "Shelter" commented in response to the #personfirst study "work to support better access to long term private rented accommodation would be welcome" - and work to support provision of long-term Council rented accommodation for young singles even more welcome. "Shelter" also commented that ".... many people are stuck in HMOs or rough sleeping because there is no suitable accommodation available to them, or because they have been excluded from social housing".

<b>Summary:</b>	No objections in principle. However, consider that there is insufficient consideration through the Justification Paper in relation to identifying the local housing needs of young people, particularly young men, who, anecdotally, are considered to have difficulty finding stable accommodation. Further
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	consideration should be given to this and whether better access to suitable accommodation should be provided.
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**Council Comments / Actions:**

The Article 4 evidence paper sets out the Council’s reasoning and justification for the introduction of a direction to restrict the conversion of dwellings to HMOs in the urban areas of the Borough. This justification is not simply based on ‘dissatisfaction with the numbers of HMOs’, but recognises the issues that are caused and manifested through a proliferation and over-supply of HMOs, which are often unregulated and of poor standard.

The numbers of HMO’s in Blackburn with Darwen is a significant challenge, particularly in the context of East Lancashire - the borough has more HMOs than the combined number of HMOs in the rest of East Lancashire. As a result of this disproportionate number of HMOs, the borough draws in individuals with high needs from across the sub-region and beyond. Providing appropriate levels of care and support to these groups is difficult.

The Council have an adopted ‘Homelessness and Rough Sleeper Strategy 2019-2024’ which reflects the need for joint working with partners to address the challenges of homelessness, including that relating to its prevention. The Strategy is one of a number of partner strategies in the cross-cutting Transforming Lives programme. It seeks to address the housing needs of all households, including single persons and childless couples.

One of the key challenges recognised in the study is the over-supply of HMO bed spaces, compared to the population. The standard of HMOs and the quality of support services offered through HMOs is also identified as a significant issue. It acknowledges that there has been an increase in reliance on unsupported temporary B&B accommodation, particularly for single individuals.

The strategy has 4 objectives, including (1) Prevention and relief of homelessness; (2) limiting the use of B&B and increasing the provision of suitable temporary accommodation and (4) Addressing the over-supply of houses in multiple occupation. Objective (2) establishes an approach to ensuring that single persons, couples, and families, are appropriately supported whilst Objective (4) recognises there is a need to address the over-supply of HMOs – including that which can be achieved through the tightening of local planning regulations.

The Council are therefore taking a holistic approach to understanding transient person’s needs and have a number of transformative strategies in place which seek to improve access to appropriate accommodation, including for all age groups.

The Council has five supported accommodation properties for those under 25, and monitor demand through our housing needs team for relief and prevention cases. We have enough capacity to support Blackburn with Darwen residents under 25 where there are additional support needs to help them manage a tenancy. Such placements are commissioned directly by us, so we can also quality assure each placement, unlike the majority of specified accommodation. The Council have been involved with partners in developing bespoke accommodation for young people (16-24) at Silas Church, and are currently working with a registered provider to develop supported accommodation for vulnerable adults in Darwen, and a second scheme for vulnerable adults at Mile End Row, Blackburn.

There are a shortage of single person and large family properties in the borough, with extensive waiting lists for both with social housing providers. While housing supply has been a national issue for some time, the Council are bringing forward a new housing strategy to help address such challenges locally with stakeholder and community consultation and engagement central to its development.



The Council's Housing and Economic Needs Assessment (HENA) (2018) identified that almost 32% of households privately renting are comprised of single people, many likely to be multi-adult households living in shared accommodation (i.e. HMOs) (para 8.14). It recommended that the Local Plan should guide a future mix of size and tenures, to ensure that an appropriate mix of housing is provided to cater for all needs. This has been incorporated into policy DM3 and DM5 of the emerging Plan and should help to start to address identified housing need in the borough.

Therefore, for the reasons set out in the justification paper, and acknowledged in wider-strategies such as the Homelessness and Rough Sleeper Strategy, the introduction of an Article 4 Direction is considered necessary to help tackle some of the issues arising from HMOs, including that affecting amenity within the Borough. We consider that we are taking appropriate action to respond to transient accommodation needs, and wider housing needs, whilst safeguarding the borough from disproportionate HMO growth and the impacts they create on communities.

**The Council acknowledge that in broad principle this consultee has no objections to the introduction of the direction, and determine no changes are required to the direction.**

Id.	8
Name	Homes England
<b>Representor comments:</b>	
As a prescribed body, we would firstly like to thank you for the opportunity to comment on the above consultation. Homes England is the government's housing accelerator. We have the appetite, influence, expertise, and resources to drive positive market change. By releasing more land to developers who want to make a difference, we're making possible the new homes England needs, helping to improve neighbourhoods and grow communities. Homes England does not wish to make any representations on the above consultation. We will however continue to engage with you as appropriate.	
<b>Summary:</b>	No comments
<b>Council Comments / Actions:</b>	
Comments noted.	

<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**



**Audit & Governance  
Committee  
Annual Report  
2022/23**

## **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.



- 2.1.2. 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.
- 2.1.3. 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.
- 2.1.4. 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.
- 2.1.5. 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 2022/23 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 2022/23. It was presented for consideration at the Committee's meeting on 2 March 2023, 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 independent member representation on the Committee, is following CIPFA best practice.
- 2.2.7. The Audit & Governance Committee met three times during the 2022/23 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 2022 including the Head of Audit Annual Audit Opinion and the Treasury Management Annual Report. The Council's 2021/22 Annual Governance Statement was also received and approved. The meeting on 29 November received the External Auditors Audit Plan for their audit of the Council's Financial Statements for the year ending 31 March 2022.
- 2.2.8. The Committee meeting on 2 March 2023 received an update from External Audit on the progress of their work on the Council's 2020/21 and 2021/22 Financial Statements. The report noted that there were no significant matters arising from the 2021/22 audit to draw to members' attention at that stage. The Committee had previously received the Final Auditors Annual Report for 2020/21 at its meeting in June 2022. The reported that the external audit work on the financial statements was substantially complete except for a national issue that had arisen with regards to infrastructure assets. The External Auditor was awaiting the outcome from a task and finish group set up by CIPFA to consider this issue and then assess the impact on the audit of the 2020/21 financial statements.

- 2.2.9. 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
- 2.2.10. 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 progress reports received at each meeting. 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.
- 2.2.11. 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.
- 2.2.12. The details of the Committee's work programme for 2022/23 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 2022/23 internal audit programme.
- 2.2.13. 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 in June 2022 and presentation on the role of internal audit was delivered in September. 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.
- 2.2.14. There has also been a risk management awareness session during the year and two finance sessions for all members to provide them with an overview of Local Government finance concepts and requirements 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 Strategic Director, Finance & Resources, as Section 151 Officer, who is responsible under the law for ensuring the proper administration of the Council's financial affairs; and
  - 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 Strategic Director, Finance & Resources takes the lead on financial, audit, risk management and internal control matters. 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 2022/23. The details provided in this report and the reports presented and considered by its members during 2022/23 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 2022/23 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 2022/23 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 Final Auditors Annual Report for 2020/21, considered by the Committee at its meeting in June 2022, included an 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 National Audit Office 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 did not identify any significant weaknesses in the arrangements in place in any of the above areas. A number of improvement recommendations were made in respect of financial sustainability and governance. Full details were provided in the report.
- 2.4.9. These related to the following areas:
- The review of the medium term Financial Strategy;
  - Levels of reserve;
  - Reporting of mandated and discretionary expenditure;
  - The Council's Minimum Revenue provision ; and
  - Updating of policies which were several year's old.



2.4.10. The External Auditors work did not identify any significant and pervasive weaknesses in arrangements. Therefore they did not make any statutory recommendations nor did they have to discharge any other wider powers under the Local Government Act 2014 for the 2020/21 audit year.

**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	1,2,3

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.

**Audit & Governance Committee Self-Assessment against CIPFA Position Statement in Local Authorities and Police 2022 Good Practice Checklist**

REF	CIPFA RECOMMENDED AUDIT COMMITTEE GOOD PRACTICE AND PRINCIPLES	YES	PARTIAL	NO	ACTION REQUIRED
<b><i>Independent and effective model</i></b> <i>The Audit Committee should:</i>					
1	Be directly accountable to full council.	√			
2	Be independent of both the executive and the scrutiny functions.	√			
3	Have rights of access to and constructive engagement with other committees/functions, for example scrutiny and service committees, corporate risk management boards and other strategic groups.	√			
4	Have rights to request reports and seek assurances from relevant officers.	√			
5	Be of an appropriate size to operate as a cadre of experienced, trained committee members.	√			
6	Include at least two co-opted independent members to provide appropriate technical expertise.		√		In the 2022 update of the Constitution the Committee membership has been amended to include 2 independent (non voting) members appointed by the Committee along with the 6 members appoint by Full Council. Arrangements can be made to appoint the co-opted independent members during 2023.
<b><i>Core functions</i></b> <i>Specific responsibilities include:</i>					
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>• Maintenance of governance, risk and control arrangements.</li> <li>• Financial and governance reporting,</li> <li>• Establishing appropriate and effective arrangements for</li> </ul>	√			

	audit and assurance.				
REF	CIPFA RECOMMENDED AUDIT COMMITTEE GOOD PRACTICE AND PRINCIPLES	YES	PARTIAL	NO	ACTION REQUIRED
<b>Audit committee membership</b>					
8	Members are trained to fulfil their role so that they are objective, have an inquiring and independent approach, and are knowledgeable.	√			
9	The membership promotes good governance principles, identifying ways that better governance arrangement can help achieve the organisation's objectives.	√			
10	The chair is strong, independently minded, and displays a depth of knowledge, skills, and interest.	√			
11	The members demonstrate a willingness to operate in an apolitical manner.	√			
12	Members have unbiased attitudes – treating auditors, the executive and management fairly.	√			
13	The members are able to challenge the executive and senior managers when required.	√			
<b>Engagement and outputs</b>					
<i>To discharge its responsibilities effectively, the committee should:</i>					
14	Meet regularly, at least four times a year, and have a clear policy on those items to be considered in private and those to be considered in public.	√			
15	Be able to meet privately and separately with the external auditor and with the head of internal audit	√			
16	Include, as regular attendees, the chief finance officer(s), the chief executive, the head of internal audit and the appointed external auditor.	√			
17	Have the right to call on any other officers of the authority as required.	√			
18	Support transparency, reporting regularly on its work to those charged with governance.		√		The Committee minutes are included as appendices to the Annual Report, which is presented to Full Council. Consider presenting these to full Council more regularly.

REF	CIPFA RECOMMENDED AUDIT COMMITTEE GOOD PRACTICE AND PRINCIPLES	YES	PARTIAL	NO	ACTION REQUIRED
19	Report annually on how the committee has complied with the position statement, discharged its responsibilities, and include an assessment of its performance. The report should be available to the public.	√			

**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 2022/23**

<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: 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 receives regular internal audit and risk management progress reports. The Committee considers 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</p>	<b>4</b>



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: 5 – 1 See key above
		significant partnerships or collaborations. The Committee also receives an annual report on the Council's Significant Partnerships Register.	
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 Committee setting out the summary corporate risk register and risk management support activity that has taken place during the year. This includes 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 as part of its work programme 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: 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 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>

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: 5 – 1 See key above
<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><b>4</b></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><b>4</b></p>

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: 5 – 1 See key above
Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks.	<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 which is considered prior to approval of the Annual Governance Statement:</p>	5
Promoting effective public reporting to the authority's stakeholders and local community and measures to improve transparency and accountability.	<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>	4

### 2022/23 Member Attendance and Committee Work Programme

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

Councillor/Date	28 June 2022	29 November 2022	2 March 2023
Dave Harling - Chair	✓	✓	✓
Salim Sidat - Deputy Chair	✓	✓	A
Neil Slater	✓	✓	A
Jon Baldwin	✓	✓	✓
Sabahat Imtiaz	✓	✓	✓
Katrina Fielding	A	✓	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 2022/23</b>				
<b>PROGRAMME ACTIVITY:</b>	<b>TERMS OF REF. NUMBER</b>	<b>JUNE</b>	<b>NOVEMBER</b>	<b>MARCH</b>
<b>Audit &amp; Governance Committee Work Programme 2022/23</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 Annual Report incl VFM Arrangements	3	✓		
MAF Update	1,4,5,6	✓		
New CIPFA Guidance on Audit Committee	1	✓		
Risk Management Update	4,5,6		✓	✓
IA Progress & Outcomes Report	1,4,5,6,7,8	✓	✓	✓



<b>PROGRAMME ACTIVITY:</b>	<b>TERMS OF REF. NUMBER</b>	<b>JUNE</b>	<b>NOVEMBER</b>	<b>MARCH</b>
Health & Safety Annual Report	4,5,6	√		
Significant Partnerships Register	10			√
<b>Internal Audit</b>				
Annual Plan, Strategic 2-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>				
External Audit Fees and Statutory Accounts Deadlines	1,3,4,5		√	
Outcome from Consultation on Local Audit Framework	5,6	√		
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>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	√		
New CIPFA Guidance on Audit Committee	1	√		
Committee Effectiveness Self-Assessment	2,3			√

## 2022/23 Internal Audit Plan Planned vs Actual Days and Overall Assurance Opinions

Audit Assignment	CLASSIFICATION	Priority	22/23 Plan Days	Actual Days	Assurance Opinion	
					Control	Compliance
CCTV Provision (Deferred to 2023/24)	Control	2	10	1		
Reablement Service (Deferred to 2023/24)	Control	3	10	1		
Transitional Arrangements : Children to Adult Care (deferred to 2023/24)	Control	2	5	0		
Protocol ICS System	Control	2	10	17	Adequate	Adequate
Commissioning Panel Arrangements - Identification and collection of Health contributions (deferred to 2023/24)	Control	2	10	0		
Children's Centres	Control	3	10	11	Adequate	Adequate
<b>Audits of Schools Finance systems:</b>	Control	3	12	11		
- Lower Darwen Primary School	Control	3	6	17	Limited	Limited
- Longshaw Infants School	Control	3	6	12	Adequate	Adequate
- Audley Infants School	Control	3	6	12	Adequate	Adequate
- St Edwards RC Primary School	Control	3	6	12	Limited	Adequate
- Lammack Primary School (Deferred to 2023/24)	Control	3	6	1		
- St Gabriel's CE Primary School	Control	3	6	11	Adequate	Adequate
- St James' CE Primary School (Lower Darwen) (WIP 2022/23)	Control	3	6	10		
- St Michael and St John CE Primary School	Control	3	6	10	Adequate	Adequate
Contract Monitoring (PH Contracts commissioned via CAPS) (WIP 2022/23)	Control	2	10	9		
Adult Weight Management Services Grant (additional to plan)	Control	1	2	2	N/A	N/A
Implementation of MIAA Audit Findings (Deferred to 2023/24)	Control	2	10	2		
Software licencing	Control	2	10	12	Limited	Adequate
Performance Indicators/Data Quality (WIP 2022/23)	Control	3	10	14		
Asset Management System (Deferred to 2023/24)	Control	2	10	2		
Local Transport Capital Funding/LTP Grant Certification Requirement	Control	1	5	6	N/A	N/A
Bus Subsidy Grant	Control	1	5	6	N/A	N/A
Protect & Vaccinate (Additional to plan)	Control	3	0	5	Substantial	Substantial
Fleet Procurement	Control	3	10	12	Adequate	Adequate
Property Services - Services to Schools (WIP 2022/23)	Control	3	10	3		
Property Services - Use of Design Consultants (WIP 2022/23)	Control	3	10	3		
Museums Collections Recording System (Deferred to 2023/24)	Control	3	10	1		
Payroll - Core system	Control	1	15	18	Adequate	Adequate
iTrent Implementation	Control	1	5	26	Adequate	Limited
Service to schools (Deferred to 2023/24)	Control	2	10	2		
RIPA processes (WIP 2022/23)	Control	2	10	18		
Members Allowances and Induction	Control	3	10	12	Adequate	Adequate
Legal Case Management	Control	3	10	11	Adequate	Adequate
Budgetary Setting and Control	Control	1	10	10	Substantial	Adequate
Main Accounting System - including account reconciliation's Control and suspense account reconciliation processes	Control	1	6	14	N/A	N/A
Reconciliations - Quarter 2	Control	1	1.5	1	N/A	N/A
Reconciliations - Quarter 3 (WIP 2022/23)	Control	1	1.5	2		
Reconciliations - Quarter 4	Control	1	1.5	0		
Council Tax (WIP 2022/23)	Control	2	15	9		
Council Tax Rebate - Support with energy costs	Control	2	10	8	Adequate	Adequate
NNDR	Control	2	15	16	Substantial	Substantial
Housing Benefits	Control	2	15	19	Substantial	Substantial
Capital Programme/Budget - Monitoring and Reporting (Deferred to 2023/24)	Control	2	10	0		
Treasury/Cash flow management/Major loss incurred regarding investment and/or borrowing. (Deferred to 2023/24)	Control	3	10	0		
Civica Asset management module	Control	3	10	0		
Disposal of land	Control	3	5	6	Adequate	N/A
Use/management, monitoring and reporting of Covid 19 Grant Funding received	Control	1	15	7	N/A	N/A
Follow up of Actions re East Z East Lease (WIP 2021/22)	Control	1	2	5	N/A	N/A
Asset Management System (WIP 2021/22)	Control	2	2	6	Adequate	Limited
Retail Hospitality & Leisure & SBR Grant (WIP 2021/22)	Control	1	2	4	Adequate	Adequate
Off Payroll Engagement (IR35) (WIP 2021/22)	Control	2	2	2	Adequate	Adequate
Legal Counsel - Appointing and paying (WIP 2021/22)	Control	2	0.5	1	Adequate	Adequate
HR Contract Procurement and Management (WIP 2021/22)	Control	3	2	4	Adequate	Adequate
Planning Enforcement - GP51 (WIP 2021/22)	Control	3	2	10	Adequate	Adequate
Governance Arrangements - HR45 (WIP 2021/22)	Control	2	1	4	Substantial	Adequate
COVID 19 Grant Funding - Protect and Vaccinate (WIP 2021/22)	Control	2	1	4	N/A	N/A
Safeguarding the most vulnerable	Control	2	10	0		
Adults Contracts and Commissioning incl Private Care Home Contract Payments (2022/23 WIP)	Control	2	15	2		
<b>Total 2022/23 Control Assignments (57)</b>			<b>442</b>	<b>424</b>	<b>35 (59)</b>	
Audit Assignment	CLASSIFICATION	Priority	22/23 Days	Actual Days	Assurance Opinion	
					Control	Compliance
Transitional Arrangements : Children to Adult Care (Deferred to 2023/24)	Risk	2	5	0		
Client case management systems including Access Controls	Risk	2	10	12	Substantial	Substantial
Local Authority Improvement Plan (WIP 2022/23)	Risk	1	10	9		
Inspection Readiness (WIP 2022/23)	Risk	1	10	7		
Universal Drug Grant Certification (additional to plan)	Risk	1	2	2	N/A	N/A
Covid Test & Trace Certification (additional to plan)	Risk	1	0	5	N/A	N/A
Failure to prevent data loss (Information Governance)/ Compliance with GDPR (Deferred to 2023/24)	Risk	2	10	0		
Business Continuity/Disaster Recovery	Risk	2	10	11	Adequate	Limited
Digital Customer Portal. (Deferred to 2023/24)	Risk	2	10	1		
Environment Strategy/ Climate Change Strategy//Carbon Management (Deferred to 2023/24)	Risk	2	10	1		



Failure to adequately inspect and maintain highways. Deterioration of the highways network in particular road surfaces. Failure to repair highways defects and street lighting faults on time	Risk	2	10	10	Adequate	Adequate
Poor standard of privately run Homes of Multiple Occupancy (WIP 2022/23)	Risk	2	15	17		
Fleet Management	Risk	3	10	13	Adequate	Adequate
Fuel Discrepancy and Finance Recharges (additional to plan)	Risk	1	3	5	N/A	N/A
Health & Safety - Failure to comply with H&S legislation & Council standards (Deferred to 2023/24)	Risk	2	10	1		
Information Sharing Protocols (Deferred to 2023/24)	Risk	2	10	1		
New CIPFA Financial Mgmt Code and VFM Assessments	Risk	2	10	10	Substantial	Adequate
Budget Setting (WIP 2021/22)	Risk	1	8	11	Substantial	Substantial
Highways Inspection - Walls and Structures (WIP 2021/22)	Risk	2	7	10	Adequate	Adequate
Section 17 Payments - CE04 (WIP 2021/22)	Risk	3	2	13	Adequate	Adequate
Demand for specialist placements	Risk	2	10	0		
Safeguarding/Safeguarding Board (Deferred to 2023/24)	Risk	2	10	0		
Failure to meet the requirements of the Children & Families Act in relation to SEND	Risk	2	10	0		
<b>Total 2022/23 Risk Assignments (22)</b>			<b>192</b>	<b>139</b>		<b>11 (23)</b>
<b>Audit Assignment</b>	<b>CLASSIFICATION</b>	<b>Priority</b>	<b>22/23 Days</b>	<b>Actual Days</b>	<b>Assurance Opinion</b>	
					<b>Control</b>	<b>Compliance</b>
Children's Disabled Facilities Grant (DFG)	Governance	3	10	12	Adequate	Adequate
Fostering	Governance	2	10	26	Adequate	Adequate
Internal Public Health Spend/Social Determinants of Health Fund - Governance (Deferred to 2023/24)	Governance	2	10	0		
Town Fund (Darwen £25m plus BwD and others) and Other Grant Funding Projects (Deferred to 2023/24)	Governance	2	10	2		
Sports England Grant - Penine Lancashire (WIP 2021/22)	Governance	1	3	20	Substantial	Substantial
Corporate Governance, Ethical Framework (WIP 2021/22)	Governance	2	5.5	12	Adequate	Limited
<b>Total 2022/23 Governance Assignments (6)</b>			<b>48.5</b>	<b>72</b>		<b>4 (6)</b>
<b>Audit Assignment</b>	<b>CLASSIFICATION</b>	<b>Priority</b>	<b>22/23 Days</b>	<b>Actual Days</b>	<b>Assurance Opinion</b>	
					<b>Control</b>	<b>Compliance</b>
Failure to mobilise 0-19 Healthy Child Programme Services	Consultancy	A	4	2		
Value for money audit	Consultancy	A*	20	25	Substantial	Substantial
<b>Total 2022/23 Consultancy Assignments (2)</b>			<b>24</b>	<b>27</b>		<b>1 (2)</b>
<b>Grand Total</b>			<b>706.5</b>	<b>662</b>		
<b>Audit Assignment</b>	<b>CLASSIFICATION</b>	<b>Priority</b>	<b>22/23 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	3	5		
Follow up work	Governance	1	10	5		
Audit Committee	Governance	1	10	15		
Liaison with external audit	Other	1	2	2		
Audit Committee Annual Report/Evaluation	Governance	1	4	3		
HolA Annual Report	Governance	1	4	3		
A & A Client liaison/Queries	Other	2	10	13		
A & A Client liaison/DMT attendance	Other	2	2	1		
A & A Client liaison/Project Groups	Other	2	4	8		
Contingency (allocated to additional to plan reviews)		2	0	0		
<b>Total Other (11)</b>			<b>49</b>	<b>55</b>		<b>0 (11)</b>
<b>Audit Assignment</b>	<b>CLASSIFICATION</b>	<b>Priority</b>	<b>22/23 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)	Control	1	10	18		
Review of Counter Fraud Strategy	Control	1	3	3		
Counter Fraud Annual Plan/Report	Control	1	3	2		
Proactive Fraud Testing	Governance	2	10	0		
Reactive investigations	Governance	2	15	20		
Review/Monitor Fraud Risk Register	Control	2	4	0		
Fraud awareness and whistle blowing initiatives	Control	2	2	0		
<b>Total Internal Audit &amp; Counter Fraud (7)</b>			<b>47</b>	<b>43</b>		<b>0 (7)</b>
<b>Audit Assignment</b>	<b>CLASSIFICATION</b>	<b>Priority</b>	<b>22/23 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	13		
MAF and MAF Challenges	Governance	1	10	20		
Risk Management Support	Risk	1	5	6		
Road Risk Mgmt Group	Risk	1	4	1		
Review/Monitor Corporate Risks	Risk	1	5	2		
Review Monitor Departmental Risks	Risk	1	8	10		
Business Continuity Champions Meetings	Risk	1	2	2		
Risk Annual Plan/Report	Governance	2	4	3		
<b>Total Risk and Governance Work (8)</b>			<b>48</b>	<b>57</b>		<b>0 (8)</b>
<b>Total Time Spent</b>			<b>850.5</b>	<b>817</b>		

**AUDIT & GOVERNANCE COMMITTEE**  
**Tuesday 28<sup>th</sup> June 2022**

**PRESENT** – *Dave Harling (in the Chair.) Councillors Baldwin, Sidat, Imtiaz 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 for absence were submitted on behalf of Councillor Fielding.

**2. Declarations of interest**

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

**3. Minutes of the meeting held on 29<sup>th</sup> March 2022**

The Minutes of the meeting held on 29<sup>th</sup> March 2022 were submitted.

**RESOLVED** – That the Minutes of the meeting held on 29<sup>th</sup> March 2022 be approved as a correct record and signed by the Chair.

**4. Annual Health and Safety Report**

A report was submitted relating to the Health and Safety team's activity during the period from April 2021 to March 2022. It highlighted the key areas of focus that were under way for the current financial year, most of which would focus on 'back to basics' in terms of health and safety management as the Council transitioned its focus from Covid to business and usual. To begin this, the Corporate Health & Safety Policy had been reviewed, updated and shared with employees.

During 2020/21, a lot of our work was still dominated by the effects of the pandemic and the team's efforts to support with achieving Covid security and ensuring appropriate advice and guidance, both internally to council services and externally to community settings, schools and external businesses during this time. As well as providing this ongoing support, the team worked hard to deliver an exceptional service to schools, undertaking full Health & Safety audits

at 45 schools across the Borough. In addition, concentrated support was provided to higher risk services based at Davyfield Road depot and services within Adult Social Care, this included inspections, risk assessments reviews and training delivery.

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

## **5. External Audit Annual Report 2020/21.**

The Annual Letter summarised the key findings and other matters arising from the external audit work carried out for the year ended 31 March 2021. It provided a commentary of the results of the work and highlighted any issues to draw to the public's attention.

Work on the financial statements was substantially complete, except for a national issue that had arisen concerning infrastructure assets. A CIPFA task and finish group was considering this matter. Once its findings were available, External Audit would consider the impact on the financial statements.

The report also provided a commentary on the Council's value for money (VFM) arrangements under three specified criteria; Financial sustainability, Governance and Improving economy, efficiency and effectiveness. No risk of significant weaknesses were identified in any of these areas. Six improvement recommendations had been made. These were set out in the report and included management's responses. In addition, a commentary was provided on the impact of Covid-19 on the Council.

The following conclusions were set out in respect of each area.

**Financial sustainability:** The Council is well managed and there is a high level of understanding of its budgetary position, budgetary pressures and any saving required. There is an established process of regular budget reviews and issues reported to those charged with governance in a timely manner. Five opportunities for improvement were identified.

**Governance:** Overall, no evidence was found of significant weaknesses in the arrangements for ensuring the Council makes informed decisions and properly manages its risks. One opportunity for improvement was identified.

**Improving economy, efficiency and effectiveness:** Overall, the External Auditor was satisfied the Council has appropriate arrangements on place to ensure it manages risks to its oversight in ensuring economy, efficiency and effectiveness in its use of resources.

**Covid-19 arrangements:** No significant weaknesses were identified in the VFM arrangements for responding to the Covid -19 pandemic.

External audit noted that they did not have cause to use any of the formal powers that they had under relevant sections of the Local Audit & Accountability Act.

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

## **6. Treasury Management Report- March 2022 to May 2022**

A report was submitted which provided a summary of the treasury management activity and performance in the period. The Council had



approximately £65.8M invested at 31 May 2022 and short term loans of £25.0M.

Excluding the issue noted in the Treasury Management Annual Report later on the agenda, the activity was within the agreed Prudential and Treasury indicators set by the Council for the year.

**RESOLVED-**

That the Committee notes the Treasury Management position for the period.

**7. Treasury Management Annual Report 2021/22**

This report summarised the Treasury Outturn for 2021/22 against the Treasury Management Strategy agreed by Executive Board in March 2021. As at 31 March 2022, net borrowing was £119.6M compared to £165.4M at 31 March 2021. Total investments at the year-end were £42.2M. There was a technical breach of an approved lending limit at the end of March 2022 where the investment limit set in the Treasury Management Strategy was exceeded by £135k for one of the Council's call accounts. This breach occurred due to an error with the warning alerts in the treasury management system, which was identified and fixed immediately. A transfer was made the next day to bring the balance back below the investment limit set. Excluding this issue, the activity was within the agreed Prudential and Treasury indicators set by the Council for the year.

**RESOLVED-**

That the Committee note the Treasury Management outturn position for 2021/22 as reported.

**8. Audit & Assurance Progress & Outcomes 1 March 2022 to 31 May 2022**

Members received a report which set out the progress on the audit work during the period compared to the approved audit plan. This covered corporate governance, counter fraud and internal audit activity, along with other audit related work carried out by Audit & Assurance staff. It included an update on progress of the outcomes of the follow up of data matches from the Cabinet Office led National Fraud Initiative and a summary of the eight red priority areas identified in the year-end Directors Exception/Dashboard reports.

The overall opinions for the five internal audits completed in the period were summarised, along with a commentary on the key issues noted in the part limited assurance opinion audit report. This limited opinion would not have a significant impact on the overall control environment in place within the Council.

**RESOLVED-**

That the outcomes achieved to May 31<sup>st</sup> 2022 against the annual audit and assurance plan 2022/23 be noted.

## **9. Outcome from Government Technical Consultation on the Local Audit Framework**

The report set out the results of Government consultation on implementation of the recommendations of the Redmond Review of the local audit framework. The consultation concerned a broad range of matters, the majority of which related to the creation, governance and operation of a new body that would provide system leadership for local audit. The body would have overarching responsibility for the local audit quality framework and take over statutory responsibility for preparing and issuing the Code of Audit Practice and associated guidance notes, currently the role of the National Audit Office. This was the Code that the external auditors were required to comply with when carrying out their audit of the Council's financial statements and arrangements for securing economy, efficiency and effectiveness in its use of resources.

A key part of the consultation directly affecting local authorities were proposals relating to Audit Committees and strengthening the guidance on committees. The Chartered Institute of Public Finance & Accountancy (CIPFA) had recently published an updated Position Statement and supporting guidance on Audit Committees. The key outcome was that the Government would mandate that Councils must have an Audit Committee, with at least one independent member.

The Council was well placed on this matter with the Audit & Governance Committee having discharged the responsibilities of an Audit Committee for some time. The July Council Forum meeting would be asked to agree to co-opt two independent (non-voting) members onto the Committee to ensure compliance with the CIPFA guidance

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

## **10. New CIPFA Guidance on Audit Committees**

Members received a report which presented the CIPFA Position Statement: Audit Committees in Local Authorities and Police 2022 to the Committee for review and comment along with an assessment of the Council's current arrangements for the Audit & Governance Cttee against the new guidance. CIPFA expects that all local government bodies should make their best efforts to adopt the principles, aiming for effective audit committee arrangements. This would enable those bodies to meet their statutory responsibilities for governance and internal control arrangements, financial management, financial reporting and internal audit.

The results of the self-assessment indicated that, with the exception of having two co-opted independent Committee members, the Council's arrangements were in line with the guidance.

**RESOLVED-**

1. That the report be noted.
2. That the Committee note the assessment of the current arrangements against the new position statement.

## **11. Annual Risk Management Report 2021/22**

The Committee received the Annual Risk Management Report to support it in fulfilling its responsibility, under its terms of reference, to ensure there are adequate risk management arrangements in place, which had operated effectively during the previous year.

The report provided a summary of the risk management activity and key achievements for the year ended 31 March 2022 along with planned developments for the next twelve months. The risk management framework and associated systems and procedures should ensure the Council had adequate and effective risk management and resilience arrangements in place to ensure that key business objectives were met. Commentary on the changes in corporate risks was also provided.

The report covered the following areas:

- Risk Management;
- Resilience - Emergency Planning and Business Continuity;
- Events;
- Information Governance; and
- Insurance.

The report provided evidence to the Committee that, overall, the Council had adequate risk management arrangements in place and these had operated effectively during the year ended 31 March 2022.

### **RESOLVED-**

1. That the report be noted
2. That the conclusions on the overall effectiveness of the risk management arrangements in place during 2021/22 be agreed.

## **12 Annual Counter Fraud Report 2021/22**

A report was submitted which provided a summary of the counter fraud activity during 2021/22. This included the successful prosecution of a direct payments fraud and the results of work to the end of March 2022 to follow-up data matches identified from the National Fraud Initiative 2020/21, which was co-ordinated by the Cabinet Office and was currently on going.

The report provided assurance that there were effective measures in place within the Council to enable the prevention and detection of fraud and irregularities.

**RESOLVED-** that the Counter Fraud annual report be noted.

## **13. Head of Internal Audit Annual Opinion Report 2021/22**

The Head of Audit was required to produce an annual report providing an overall opinion on the adequacy and effectiveness of the Council's framework of governance, risk management and internal control that meets the requirements of the Public Sector Internal Audit Standards. The report included a summary of the work carried out during the year against the audit plan approved by the A&G

Committee in June 2021, and the opinions provided for each audit review finalised during the year. The details of the individual audits had previously been reported to the Committee during the year as part of the regular Audit & Assurance progress reporting arrangements. Details of other sources of assurance with support the overall opinion were also summarised.

The report noted that:

- Whilst there Council had had reduced capacity to be fully audited during the year, and resources have had to be redeployed in some instances to respond effectively to the pandemic, sufficient evidence has been obtained to support the overall opinion for the year.
- Overall, the Council had adequately designed systems of risk management, control and governance, which are being operated effectively during the year.
- No limitations were placed on the scope of work carried out by Internal Audit during 2021/22;
- None of the qualifications from the audit reviews completed during the year that informed the annual internal audit opinion constituted a material weakness in the Council's overall governance framework that required disclosure in the 2021/22 Annual Governance Statement (AGS) ; and
- The outcome of the Ofsted Inspection of Children's Services, which concluded that overall effectiveness required improvement to be good, which was a significant issue which required inclusion in the AGS.

#### **RESOLVED-**

1. That the content of the Annual Internal Audit Opinion Report for 2021/22 (as set out in Appendix A) be noted;
2. That the overall annual opinion of the Head of Audit & Assurance, which is that **adequate assurance** can be placed upon the Council's framework of governance, risk management and internal control be agreed; and
3. That the internal audit work that supports this opinion has been delivered in accordance with the Public Sector Internal Audit Standards (PSIAS) and that there are no significant areas of non-conformance be noted.

#### **14. Annual Governance Statement (AGS) for 2021/22**

The AGS was a statutory requirement for local government bodies set out in the Accounts & Audit Regulations 2015. It was an accountability statement from the Council to stakeholders on how well the Council had delivered on governance over the previous year. It explained the key governance processes and procedures in place to enable the Council to carry out its functions effectively during the 2021/22 financial year and up to the date of the June Committee meeting. It included an update on the actions to address the three significant governance issues identified in the 2020/21 AGS and an action plan to address those significant governance issues identified during 2021/22.

The Committee was required to consider the draft AGS before it was signed by the Leader and Chief Executive. It would then be published alongside the Council's 2021/22 Statement of Accounts.

The following significant issues were noted for 2021/22:

- Children’s Services Financial Position;
- Adult Social Care Commissioning;
- The long term financial sustainability of the Council;
- Children’s Services Ofsted Inspection Findings;
- Teachers’ Pension Agency Year End Certification and audit; and
- Performance Management System.

**RESOLVED-**

That the Draft Governance Statement be approved.

**15. Audit & Governance Committee Annual Report 2021/22**

The report provided a summary of the Committee’s performance during the last year and in accordance with the CIPFA guidance for Local Authority and Police Audit Committees. The report provided details of the work of the Committee and reports it received which evidenced that the Committee had been effective in fulfilling its terms of reference during 2020/21. It also included the results of the self-assessments against the CIPFA guidance for Audit Committees.

The details provided demonstrated that adequate consideration had been given to all the core areas identified to enable the Committee to fulfil its role and responsibilities

**RESOLVED-**

1. That the Committee’s Annual Report be approved and;
2. That the report to Full Council for endorsement.

signed: .....

Date: .....

Chair of the meeting  
at which the minutes were confirmed

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

**PRESENT** – *Dave Harling (in the Chair) Councillors Baldwin, Fielding, Sidat, Imtiaz and Neil Slater.*

**OFFICERS** – *Dean Langton (Director of Finance), Chris O'Halloran, (Principal Internal Auditor), Andrew Tordoff, (Principal Internal Auditor) and Phil Llewellyn (Democratic Services),*

*The Councils Auditors- John Farrar and Gareth Winstanley (Grant Thornton).*

**RESOLUTIONS**

**16. Welcome and Apologies**

The Chair welcomed everyone to the meeting.

**17. Minutes of the meeting held on 28<sup>th</sup> June 2022**

The Minutes of the meeting held on 29<sup>th</sup> March 2022 were submitted for approval.

**RESOLVED** – That the Minutes of the meeting held on 28<sup>th</sup> June 2022 be approved as a correct record and signed by the Chair.

**18. Declarations of interest**

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

**19. External Audit – Audit Plan 2021/22**

John Farrar presented the Grant Thornton Blackburn with Darwen Council Audit Plan for the year ending 31<sup>st</sup> March 2022.

John explained that there had been a number of delays, meaning that the audit cycle was out of kilter, and in particular highlighted a national issue relating to accounting for infrastructure assets. It was hoped that the 20/21 audit would be completed early in 2023. This meant that the 21/22 audit was behind track.

The Plan for 2021/22 highlighted key information relating to significant risks, materiality, value for money arrangements and audit logistics.

Members were advised that the Audit Fee would be higher for 2021/22 (£136,186), which was primarily down to issues with infrastructure assets and adjustments relating to the 2020/21 audit.



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

**20. Treasury Management Report - June to August 2022**

The Director of Finance presented a report which presented monitoring information for the Treasury Management function for the period 1<sup>st</sup> June 2022-30<sup>th</sup> September 2022.

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

**RESOLVED** – That the Treasury Management position for the period be noted, and that the Mid-Year Treasury Management Strategy Review also be noted.

**21. Audit & Assurance – Progress & Outcomes to October 2022**

Chris O'Halloran, Principal Internal Auditor, presented a report which informed Committee Members of the achievements and progress made by Audit & Assurance in the period from 1<sup>st</sup> June 2022 to 31<sup>st</sup> October 2022.

Members were advised that the National Fraud Initiative exercise had now concluded, with 1,641 matches processed and 1,050 errors identified which resulted in savings of £95,681. Arrangements were in place to recover this money from the individuals concerned as appropriate.

The report also gave information on the 17 audits completed and finalised since the last Committee, as well as highlighting Internal Audit performance for the latest period.

**RESOLVED** – That the outcomes achieved to October 31<sup>st</sup> 2022 against the annual audit and assurance plan 2022/23 be noted.

**22. Risk Management – 2021/22 Half Year Review**

Andrew Tordoff, Principal Internal Auditor, presented a report which detailed the risk management activity that had taken place in the period from 1<sup>st</sup> April 2022 to 30<sup>th</sup> September 2022.

As of 30<sup>th</sup> September 2022, there were 20 open risks, which were summarised in Appendix 1 of the report, with the top corporate risks being:

- Risk Ref 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;
- Risk Ref 14 - A high profile serious or critical safeguarding case that is known to the Council services, in light of Covid-19 working arrangements;

- Risk Ref 18 - Insufficient budget for service delivery if MTF5 income targets from the Growth Agenda are not met; and
- Risk Ref 24 - Failure to respond effectively and proportionately to develop and implement plans/adaptations, within the scope of the Council's control and influence, in pursuit of its ambition to be a Carbon Neutral Borough.

Members were reminded that as part of the Council's Risk Management process, corporate risks were reviewed and monitored on a regular basis to ensure that the Council had appropriate, properly assessed corporate risks identified going forward. The Corporate Leadership Team (CLT) reviewed the risk details as part of the Management Accountability Framework reporting arrangements, as well as the on-going review and update of the risks by the designated risk owners and key contacts.

The report also outlined cyber risks identified by Zurich Cyber Risk consultants and the action plan that was being developed in response, as well as advising that a review of the Council's arrangements for the control of vibration at work and manual handling had been agreed with Zurich Risk Engineering, which would take place during January 2023.

**RESOLVED -**

1. That the risk management activity during this period be noted; and
2. That Corporate Risk 24, in relation to the ambition to be a Carbon Neutral Borough, be reviewed at the next meeting in relation to assessment, control and monitoring at its next meeting.

**23. Annual Governance Statement (AGS) – Progress on 2021/22 Actions and Plan for 2022/23**

Andrew Tordoff presented a report on the progress of the actions taken to address the significant governance issues identified in the 2021/22 AGS and the planned approach and timetable for producing the 2022/23 Statement.

The report outlined the progress made to 30<sup>th</sup> August for the significant issues noted in the 2021/22 AGS, whilst also noting the level of uncertainty as to the impact of government Social Care reforms and the ongoing impact of the pandemic, the cost of living crisis and winter demand pressures on key Council services. The delivery of the 2022/23 budget was also critical to the sustainability of the Council's financial position, whilst work was ongoing to contain current overspends wherever possible.

**RESOLVED –**

1. That the progress made to address the significant actions identified in the 2021/22 AGS be noted; and
2. That the approach/timetable for producing the 2022/23 AGS be noted.

**24. Arrangements for the Appointment of External Auditors**

The Director of Finance submitted a report the purpose of which was to inform the Audit and Governance Committee of the outcome of Public Sector Audit Appointment's (PSAA) procurement process for the appointment of External Auditors to the Council for the period 2023/24 to 2027/28.

Members were reminded that in anticipation of the need to re-procure External Auditors for the 5 year period commencing with the financial year 2023/24, at the meeting of Finance Council in February 2022, Councillors resolved again to accept PSAA's invitation for the Council to opt into the sector-led option for the procurement and appointment of External Auditors to principal local government and police bodies. Almost all (99%) eligible public bodies opted in to this procurement process.

The procurement process conducted by PSAA took place during the Spring/Summer of 2022. On 3<sup>rd</sup> October, PSAA informed the Council of the outcome of the procurement process. In summary, PSAA offered contracts to six suppliers: Grant Thornton, Mazars, Ernst and Young, KPMG, Bishop Fleming and Azets Audit Services. On 17<sup>th</sup> October, PSAA subsequently informed the Council that they proposed appointing Mazars as the External Auditor for Blackburn with Darwen for 5 years from 2023/24.

The report gave information about Mazars, which was a large global audit and accounting firm. The report confirmed that the existing External Auditor, Grant Thornton, would remain in place to undertake the audit of the Council's accounts for 2022/23 and Mazars would be appointed by PSAA for the audit of the Council's accounts for the 2023/24 financial year for five years.

**RESOLVED** – That the appointment of Mazars as the Council's External Auditor with effect from 1<sup>st</sup> April 2023 for a period of 5 years be noted and endorsed.

Signed: .....

Date: .....

Chair of the meeting  
at which the minutes were confirmed

**AUDIT & GOVERNANCE COMMITTEE**  
**Tuesday 2<sup>nd</sup> March 2023**

**PRESENT** – Dave Harling (in the Chair) Councillors Baldwin and, Imtiaz.

**OFFICERS** – Colin Ferguson (Head of Audit & Assurance) Simon Ross, ( Head of Finance) Jenny Bradley (Finance Manager) Mohsin Mulla (Business Manager) and Phil Llewellyn (Corporate & Democratic Lead),

The Councils Auditors- John Farrar and Gareth Winstanley (Grant Thornton).

**RESOLUTIONS**

**25. Welcome and Apologies**

The Chair welcomed everyone to the meeting.

**26. Minutes of the meeting held on 29<sup>th</sup> November 2022**

The Minutes of the meeting held on 29<sup>th</sup> November 2022 were submitted for approval.

**RESOLVED** – That the Minutes of the meeting held on 29<sup>th</sup> November 2022 be approved as a correct record and signed by the Chair.

**27. Declarations of interest**

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

**28. Significant Partnerships Register 2022/23**

Mohsin Mulla presented a report which provided Members with an update on the Significant Partnerships Register for 2022/23, which identified all the significant partnerships that involved the local authority as per the Audit & Governance Committee's Terms of Reference.

The Significant Partnerships Register was attached at Appendix 1 and Members were asked to review and approve the document.

**RESOLVED-** That the Significant Partnerships Register be approved.

**29. External Audit – Audit Committee Progress Report**

John Farrar and Gareth Winstanley presented a report with an update on the work of Grant Thornton since the last meeting.

In terms of the Financial Statements Audit 2020/21, this was nearing completion, although there was one area in particular to be resolved, relating

to the Council accounting for its interest in Blackburn Shopping Centre. Discussions were ongoing and it was expected the audit report would be issued ahead of the June meeting.

Work on the Financial Statements Audit 2021/22 was progressing well, with no significant matters that needed to be brought to the attention of Members at present.

In relation to Value for money – the 2020/21 Auditor’s Annual Report had previously been issued as a draft, and would be finalised at the same time as the Financial Statements, Work was ongoing on the 2021/22 Annual Report.

Work had concluded on the Council’s annual Housing Benefit Subsidy claim, with the report to DWP issued ahead of the deadline. The claim had been amended for one minor issue, but had no impact on the overall subsidy received by the Council.

**RESOLVED –**

That the report be noted.

**30. Treasury Management Report – October 2022 –December 2022**

Jenny Bradley presented a report which contained monitoring information for the Treasury Management function for the period 1<sup>st</sup> October 2022 to 31<sup>st</sup> December 2022.

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

The Treasury Management Strategy for 2023/24 was also submitted, which was due to be presented to Executive Board for approval on 9<sup>th</sup> March 2023.

**RESOLVED –** That the Audit and Governance Committee:

- 1.1. Notes the Treasury Management position for the period; and
- 1.2. Notes the Treasury Management Strategy for 2023/24 which is due to be presented to Executive Board for approval on 9<sup>th</sup> March 2023.

**31. Audit & Assurance – Progress & Outcomes to January 2023**

Colin Ferguson presented a report which informed Committee Members of the achievements and progress made by Audit & Assurance in the period from 1<sup>st</sup> November 2022 to 31<sup>st</sup> January 2023.

The report advised that in terms of the National Fraud Initiative, the Council took part in a bi-annual data matching exercise, administered by the Cabinet Office. Having submitted all the required datasets on time the Council had

recently received the output from these reports. In total, 5,911 data matches have been received. Appropriate action would now be taken to review and progress these data matches, in liaison with colleagues in relevant departments. Committee Members would be provided with progress updates in due course.

The report also gave information on the 14 audits completed and finalised since the last Committee, as well as highlighting Internal Audit performance for the latest period.

**RESOLVED** – That the outcomes achieved to January 31<sup>st</sup> 2023 against the annual audit and assurance plan 2022/23 be noted.

### **32. Audit & Assurance Plan 2023/24 and Internal Audit Charter**

Members received a report advising of the planned Audit & Assurance work for the forthcoming year.

The Internal Audit Charter was also submitted for approval, which was a requirement of the PSIAS, which became mandatory from 1 April 2013. The Charter was last re-approved at the Audit & Governance Committee meeting in March 2022. The Charter had been reviewed and no changes are deemed necessary for 2023/24.

#### **RESOLVED –**

That the Audit & Governance Committee:

: • approve the 2023/24 Annual Audit & Assurance Plan and supporting Statement and draft two year Strategic Audit Plan (as set out in Appendices 1,2 and 3);

- approve the Internal Audit Charter (as set out in Appendix 4);
- note that reports dealing with both progress against the Plan and outcomes achieved will be submitted to each meeting; and
- note that Plan changes will be reported during the year.

### **33. Risk Management – Quarter 3 Review**

Colin Ferguson presented a report which detailed the risk management activity that had taken place in the period from 1<sup>st</sup> October 2022 to 31<sup>st</sup> December 2022.

As of 31<sup>st</sup> December 2022, there were 20 open risks, which were summarised in Appendix 1 of the report, with the top corporate risks being:

- Risk Ref 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;
- Risk Ref 14 - A high profile serious or critical safeguarding case that is known to the Council services, in light of Covid-19 working arrangements;



- Risk Ref 17 – Cyber security failures leading to financial, data loss, or disruption to services from compromise of the IT network or systems.
- Risk Ref 18 - Insufficient budget for service delivery if MTFS income targets from the Growth Agenda are not met; and
- Risk Ref 24 - Failure to respond effectively and proportionately to develop and implement plans/adaptations, within the scope of the Council's control and influence, in pursuit of its ambition to be a Carbon Neutral Borough.
- Risk Ref 28 – The risk to the delivery of public services as a result of ongoing industrial unrest and strike action in the NHS and affecting other key partners and sectors may have on public services.

Members were reminded that as part of the Council's Risk Management process, corporate risks were reviewed and monitored on a regular basis to ensure that the Council had appropriate, properly assessed corporate risks identified going forward. The Corporate Leadership Team (CLT) reviewed the risk details as part of the Management Accountability Framework reporting arrangements, as well as the on-going review and update of the risks by the designated risk owners and key contacts.

**RESOLVED -**

1. That the risk management activity during this period be noted; and
2. That Corporate Risk 25 be reviewed in the session directly before the September meeting (The impact that the cost of living crisis may have on local businesses and residents, and the implications that this may have on Council staff, services and budgets).

**34. Audit & Governance Committee – Effectiveness Self Assessment**

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 included 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. The results of each of these assessments were set out in appendices to the report.

It was reported that the Council's Audit & Governance Committee arrangements were largely compliant with the recommended guidance. The only areas where full compliance could not be provided were:

- Question 6: The Committee membership Includes at least two coopted independent members to provide appropriate technical expertise; and

- Question 19: The Audit & Governance Committee had not obtained feedback from others interacting or relying on its work.

The Constitution had recently been updated to allow the Committee to appoint two non-voting co-opted independent members to its membership. Arrangements to appoint these members would be progressed during 2023.

Members discussed the report, in particular previous best practice recommendations about the recruitment of Independent Members to the Committee, which was an ongoing discussion, but would be progressed.

It was noted that the Committee's Annual Report was presented to Full Council for consideration, along with the minutes from the previous year's meetings. This presented an opportunity to obtain feedback on the Committee's performance from Councillor colleagues at least annually.

**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:** CHIEF EXECUTIVE

**TO:** COUNCIL FORUM

**ON:** 20<sup>th</sup> July 2023

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## GOVERNANCE UPDATE

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### 1. PURPOSE OF THE REPORT

To request that Council approve the updated Council Constitution, to include the amendments outlined in this report.

To approve the appointment of the statutory Section 151 Chief Finance Officer and note the other senior management changes recommended by the Chief Officer Employment Committee.

### 2. RECOMMENDATIONS

That Council:

- 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.
- 2.3 consider the recommendations of the Chief Officer Employment Committee as outlined in this report and:
  - (i) approve the appointment of Dean Langton as the Strategic Director, Finance & Resources and the statutory Section 151 Chief Finance Officer
  - (ii) note the other changes to Chief Officer roles and the senior management structure for the Council.

### 3. BACKGROUND

Since the last constitution update in July 2022, there have been some changes to the Council's governance arrangements and senior management structure, as outlined in this report. These changes, subject to Council's approval, will 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 minor changes in portfolio responsibilities as confirmed by the Leader.
- Scheme of Delegations (Part 3, section 16) to update and reflect changes to the Chief Officer structure as outlined in this report, and subject to Council approval.
- Proper Officer Provisions (Part 3, Section 17) to update and reflect changes to the Chief Officer structure. The changes include the power to the Chief Executive to declare the office of councillor vacant in prescribed cases [Council Forum report.Casual vacancy.Darwen South.October 2022.pdf \(blackburn.gov.uk\)](#), and in relation to RIPA (Regulation of Investigatory Powers Act).
- Council Staff Structure (Part 8) to reflect changes to the Chief Officer structure.
- Member Allowances Scheme (Part 6), following approval by Council Forum on 26 January 2023 of the Independent Remuneration Panel report: [MembersAllowancees Scheme 2022-23. IRP.pdf \(blackburn.gov.uk\)](#)
- Standing Overview and Scrutiny Committees (Part 3, Section 8), to reflect the review and consequent changes to the structure of overview and scrutiny committees, as approved by Council: [Scrutiny Review.pdf \(blackburn.gov.uk\)](#)
- Article 14 – Finance, Contracts and Legal Matters: to confirm the responsibility and arrangements for the commissioning of all external legal advice and support to Council.
- Health and Wellbeing Board (Part 3, Section 11), to review and update following the Health and Care Act 2022

Other minor amendments have been made to the Contract and Procurement Procedure Rules (Part 4, Section 8) and Licensing Committee (Part 3, Section 4).

The Chief Officer Employment Committee (COEC) have met to consider changes to the Council's chief officer senior management posts. Following the former Strategic Director, Resources leaving the Council in early January 2023, the role has been disestablished with the responsibilities allocated to other Chief Officer posts.

The revised Strategic Director, Finance & Resources role incorporates the former Director of Finance role, including the statutory section 151 Chief Finance Officer function, and has now been allocated the statutory Senior Information Risk Officer (SIRO) function. The Chief Officer Employment Committee met on 14 June 2023 and recommended the appointment of Dean Langton to the Strategic Director, Finance & Resources role and therefore the statutory s151 chief finance officer role for the Council.

The COEC agreed that responsibility for IT and Digital Transformation functions are added to the Assistant Director role in the Chief Executive's Department, along with the statutory scrutiny officer function and that the post is re-designated Director, Chief Executive's Department.

The COEC also approved the establishment of a new post in the Adults & Health Directorate of Assistant Director - Commissioning & Support Services with responsibility for commissioning across 'People' services, including Adult social care, Children's services and Public Health.

The COEC agreed that, to provide capacity and support to the Chief Executive and the Leadership, one of the Strategic Directors will also carry additional responsibilities to act as Deputy Chief Executive.

The Chief Officer and departmental structure chart will be updated to reflect the revised posts and associated responsibilities.

#### **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.

Local authorities must have a robust management structure to manage and deliver its services, and undertake its statutory responsibilities effectively and efficiently.

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

There are no additional financial implications as all Chief Officer posts are included within the Council's existing budget.

#### **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.

It is the responsibility of the Chief Executive as the statutory Head of Paid Service, to ensure that all the authority's functions are properly co-ordinated as well as organising staff and appointing appropriate management.

It is a requirement under section 151 of the Local Government Act 1972 for the Council to make arrangements for the proper administration of its financial affairs, and appoint a Chief Finance Officer to have responsibility for those arrangements. In accordance with section 113 Local Government Finance Act 1988, the Chief Finance Officer must be professionally qualified and be a member of one of the prescribed accountancy bodies.

## 7. RESOURCE IMPLICATIONS

None. Chief Officers with delegated powers may sub-delegate some duties and responsibilities to managers in their respective teams.

## 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. The Monitoring Officer holds the version of the Constitution showing the tracked changes and is available for inspection by members and officers.

Background Papers:           None

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

Date:                               6 July 2023

Appendix – Council Constitution (20 July 2023)



## Council Forum, 20<sup>th</sup> July 2023

### Progress of the Overview and Scrutiny Committees

#### Purpose of the Report

To update the Council Forum on the progress of the Policy and Corporate Resources, Health and Social Care, Children and Young People and Place Overview and Scrutiny Committees, and also to inform Council of new support for the Committees.

#### New Support

In order to provide further support to the four overview and scrutiny committees, a Head of Service has been assigned to each Committee, from a different service area than being scrutinised (see list below).

The Head of Service will offer advice and guidance in meetings, and ensure that actions are co-ordinated and progressed after meetings. This is in addition to the support provided by Democratic Services.

- Health and Social Care Overview and Scrutiny Committee: Chris Bradley, Head of Corporate Contracting and Procurement.
- Children and Young People Overview and Scrutiny Committee: Andrea Sturgess, Head of Communications and Engagement.
- Place Overview and Scrutiny Committee: Simon Ross, Head of Finance.
- Policy and Corporate Resources Overview and Scrutiny Committee: Tony Watson, Head of Environment.

#### **Health and Social Care Overview and Scrutiny Committee**

At the meeting on 5<sup>th</sup> June, the Committee received a report back from the Executive Member for Public Health, Prevention and Wellbeing in response to the recommendations of the re:refresh Task Group, with the Committee giving feedback and suggestions on access to services, which Councillor Talbot advised would be taken into account and would help further improve services.

The Committee also noted the Draft Safeguarding Adult Board Business Plan, and discussed its Work Programme for 2023/24, and agreed on one key item per meeting, in the following order:

- **Scrutiny of the arrangements for the Integrated Care Board** – how will it work and what will the benefits be for local people?
- **CQC Self Assessment** – regulation of the Council care commissioning via the CQC, which came into force in 2022, the care market, safeguarding and budgets for the most vulnerable will all be subject to inspection at any time, how prepared is the Council?
- **Scrutiny of Care Homes in the Borough** – Task and Finish Group to report back and Committee to discuss. Task and Finish Group Membership – Councillors Jacquie Slater, Tony Humphrys and Anthony Shaw.

## **Children and Young People Overview and Scrutiny Committee**

At the meeting on 12<sup>th</sup> June 2023, the Committee received an update from the Youth MP and Youth Forum on their recent events and activities, discussed an offer from the LGA to hold a two hour in person development session (which has been scheduled for Monday 31<sup>st</sup> July 2023) as well receiving a presentation from Jo Siddle on the shift to a Blackburn with Darwen Place based model for the for the Children's Safeguarding Assurance Partnership (CSAP) from a Pan Lancs Model.

The main focus of the Committee was discussing its Work Programme for 2023/24, and following information from the Executive Member and Strategic Director, the Committee agreed on one key item per meeting, in the following order:

- **Corporate Parenting** – to ensure the importance of Corporate Parenting is fully understood by the Council and its Partners.
- **Local Safeguarding Assurance Partnership** – Update on last six months since update at June meeting.
- **School Improvement Strategy**

## **Place Overview and Scrutiny Committee**

Following presentations from the two Portfolios, it was agreed that at the next meeting on 14<sup>th</sup> August, a report on Highways Infrastructure be submitted, with particular focus on the roads themselves, ie.road condition/pot-holes, traffic lights etc.

The second item, for the following meeting, would be Environmental Crime, in particular fly-tipping and dog fouling.

The third work programme item, to be discussed at the last meeting of 23/24, would be selected at the meeting on 14<sup>th</sup> August 2023.

Members agreed that rather than presentations, reports should be submitted with the agenda, so they could properly consider these ahead of meetings

## **Policy and Corporate Resources Overview and Scrutiny Committee**

At the meeting to be held on Monday 17<sup>th</sup> July 2023, the Committee will receive an update on RIPA Activity, review the Procedural Guide and feedback from the RIPA Inspection held in November 2022.

The Committee will receive information from the Executive Members for Finance & Governance and Digital & Customer Services on their priorities and objectives for 2023/24, which will assist the Committee in agreeing its Work Programme for 2023/24.

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

**Councillor Jacqueline Slater**, Chair of the Health and Social Care Overview and Scrutiny Committee.

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

**Councillor Suleman Khonat**, Chair of the Place Overview and Scrutiny Committee.

## REPORT OF THE LEADER OF THE COUNCIL

COUNCILLOR PHIL RILEY

PORTFOLIO CO-ORDINATING  
CHIEF OFFICER: Chief  
Executive  
Thursday, 20 July 2023

### **A more prosperous borough where no-one is left behind**

#### **Business Growth**

One of the guiding principles behind our mission to create a more prosperous borough where no-one is left behind is providing the conditions for businesses to thrive. I was therefore delighted to see Blackburn with Darwen recently named the 4th best place in the UK to work for a small or medium sized business in recent a report by Iwoca – one of Europe’s largest small business lenders. It’s great to see business confidence in the borough so strong and economic growth booming.

To that end, I’m also really pleased that our ambitious new Local Plan for 2021-37 has taken another step forward. Following two public hearings in February and March, we’ve now received initial advice from Government inspectors providing support for our overall growth strategy, which includes the strategic employment site off Junction 5 of the M65. This milestone is a testament to the dedication of our hard working Council teams and brings our exciting vision for housing, employment, environmental and infrastructure improvements for the next 15 years in Blackburn with Darwen one step closer. The growth agenda is absolutely critical to our plans for the borough and approval of the Local Plan will be a major step forward.

Elsewhere, I recently had the pleasure to see the positive impact of the Darwen Town Deal when I visited Darwen Cricket Club and saw the impressive £250k transformation of their clubhouse first-hand. This has been a superb effort by all involved – those at the Club, local businesses, volunteers and our own officers who have supported them – this is a facility they can all be really proud of. With Olympic medal winners training at the nearby Junction4 Skatepark too, which will also host British Cycling’s National BMX Championships over the weekend of July 22<sup>nd</sup> and 23<sup>rd</sup>, and the raft of other projects underway, or in the pipeline, the Darwen Town Deal is a rolling good news story. It will leverage £100m of new investment over the coming years – more than we’ve ever seen before – and help kick-start the regeneration of the town.

A beacon for all local businesses to aspire to is the thriving textile business, Herbert Parkinson Ltd, which recently celebrated 70 years as part of the John Lewis Partnership. Along with the likes of Perspex and Crown Paints, Herbert Parkinson has put Darwen manufacturing on the map and has been a fantastic success story for the borough. It was great to attend a recent open day event to celebrate the impressive milestone and enjoy a tour of the factory and meet the staff there. The company is always looking to invest in their partners and offer opportunities to local people to carve out successful careers in the textile industry.

#### **Events Round-up**

##### *National Festival of Making*

We were again incredibly proud to play host to The National Festival of Making, which made its return to the borough for the fifth time on the weekend of Saturday 8th and Sunday 9th

July 2023. Record crowds came from far and wide into Blackburn town centre to enjoy this unique free family festival.

This is one of the main events in our borough's calendar that really shows what a hotbed of creativity Blackburn with Darwen is, celebrating the unique making heritage of our borough with world-class art installations, workshops and performances. Beyond being a great weekend of activities it also helps us to create a distinctive sense of place while boosting the town's tourism profile and supporting local businesses.

We've had good initial 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. This included Darren Henley, Managing Director of Arts Council England Arts Council, who I met with on the Saturday of the festival. The meeting was an opportunity to cement our relationship with his organisation, who we have received generous funding from for our arts, culture and creative industries with four local National Portfolio Organisations from our borough, and to keep planting the seeds on our cultural progression. I explained how we have made a series of consistent decisions over the past half a decade to fund arts projects and build culture at the heart of everything we do and our fruitful relationship with the Arts Council is all part of our reward for 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 second ever official Pride event on Saturday 17th June certainly was a great way to do that. Hundreds of 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.

Well done to the Blackburn Pride Committee for all their hard work to make this latest event such a success. The Council strives to be a welcoming place for all of our residents and staff so let's keep celebrating our diversity in all of its forms.

### *Darwen Live*

The ever popular Darwen Live made its return to the borough in May. Every year we work hard to make it even bigger and better and are proud it's the UK's biggest free music festival. Crowds of thousands enjoyed glorious sunshine at this year's event which showcased the best local and national talent while supporting businesses right across the town.

## **Devolution**

We continue working with Lancashire County Council (LCC) and Blackpool Council - as Lancashire's three upper tier authorities – and with Government on a devolution deal. Following a recent positive meeting with all four parties, we received a formal commitment from the Minister, Dehenna Davison, to draw up a Deal and to establish a Combined County Authority (CCA) for Lancashire. There's still lots to do over the coming months to secure the best deal we can but this is good news that represents positive progress.

Under the CCA, the three authorities would become the constituent (voting) members of the CCA which, in turn, would secure new powers and resources as defined by the national Devolution framework. To this end, we are exploring the nature and extent of Government's Devolution offer for a non-Mayoral CCA and although this initially secures less in the way of new powers and resources, we know the Devolution pathway then evolves over a series of

Deals (and is not just one event). A first Devolution Deal will be a marker of our future intent for the Lancashire area.

As the details crystallise, as a Council we will need to endorse the proposals as will LCC and Blackpool Council. Subject to the approval of the three Councils, it is envisaged an agreed proposal will be submitted to Government working to their timetable of securing the deal by the Autumn with formal CCA arrangements to follow.

## **Honours**

Congratulations to everyone with links to Blackburn with Darwen recognised in King Charles III's Birthday Honours list for 2023. Our former Director of Public Health, Prof Dominic Harrison, received a British Empire Medal for services to vulnerable people in Lancashire. As well as being incredibly knowledgeable and professional, Dom worked hard to build trust with our local communities during the pandemic to ensure they felt supported and listened to throughout such a terrible time. He is very deserving of a national honour. Lisa Anne Crausby, Executive Director of Star Academies in Blackburn, also picked up an OBE for services to education so well done to her too.

## **MISSION: Being an innovative and forward thinking Council**

### **Communications strategy**

The value of communicating our work and progress is something that I personally champion. The Council's approach to strategic communications and how we prioritise activity to support the delivery of the Corporate Plan is outlined in the overarching Communications Strategy 'Promoting and enabling our organisation's vision for the future'. [Read the strategy here.](#)

### **Corporate peer challenge**

We invited the Local Government Association (LGA) to undertake a corporate peer challenge during the week of Tuesday 11th – Friday 14th July, to provide an external perspective on how well the Council is performing and on our future plans. At the heart of the challenge was a series of meetings and focus groups with a range of people from across the Council - elected members, senior officers, managers, supervisors and front line staff - as well as our key partners. Thanks to everyone involved for being open and honest in sharing their experiences. The team presented its initial findings to myself and my deputy leaders and senior officers at the end of their week on site with a final report due to be published in no later than three months' time alongside an action plan. It's important to note this was purely an exercise in self-improvement. It was not a form of inspection, with a detailed service assessment driven by external requirements or reported to Government.

## **MISSION: Healthier, happier and safer communities**

### **Covid-19 Public Inquiry**

The public hearings for the Covid-19 Public Inquiry began in June, and are being streamed on [YouTube](#). An 'Every Story Matters' [campaign has been launched](#) as well to encourage people to share their experiences of the pandemic. Anonymised themed reports will be produced using people's submissions. As a Council we're working with the LGA and other Lancashire authorities on a request for evidence for Module 5 of the Inquiry around the procurement of PPE and other vital equipment during the pandemic. We'll be sharing comprehensive responses and insights and are continuing with preparations for other ongoing and future modules.



## REPORT OF THE EXECUTIVE MEMBER FOR PUBLIC HEALTH, PREVENTION & WELLBEING

COUNCILLOR DAMIAN TALBOT

PORTFOLIO CO-ORDINATING  
CHIEF OFFICERS: Director of Public  
Health  
Thursday, 20 July 2023

### Build happier, healthier and safer communities

#### Public Health

**Sexual Health Strategy and Delivery Workshop:** The sexual health strategy workshop was held on 8<sup>th</sup> June 2023 and attended by more than sixty stakeholders representing various adults, public health and children's services.

The workshop aimed to provide an overview of the local and national sexual health landscape whilst also giving stakeholders an opportunity to share their perspectives on the gaps, needs, and actionable steps for improving sexual health across Blackburn with Darwen. A digital survey was also conducted, receiving responses from over forty professionals. The event showcased our community stakeholder engagement initiatives have been undertaken specifically targeting young people (including those with SEND) and also individuals living with HIV. Further focus groups are planned with LGBTQ+ community and we are working to ensure voices and lived experiences are heard from members of the ethnic minority and diverse communities.

Based on the analysis of public health data and insights, the following core priorities have been identified to:

- Increase STI testing rates, including improving Chlamydia detection rate and the proportion of individuals screened.
- Enhance early diagnosis and reduce onward transmission of HIV.
- Promote increased uptake of Long-Acting Reversible Contraceptives (LARC) in both General Practice and Sexual and Reproductive Health services across all age groups.
- Enhance access and develop targeted approaches for diverse communities.
- Improve relationships and sex education across educational and youth settings

These identified priorities will serve as the foundation for developing the new sexual health strategy that addresses the specific needs of the community and aims to improve sexual health outcomes for all our residents.

**Health and Wellbeing Board:** The Health and Wellbeing Board met on 20<sup>th</sup> June 2023. The Board approved the Joint Strategic Need Assessment overview documents, which set out the health and care needs of the borough and its residents. The Board also received updates relating to the Lancashire and South Cumbria Integrated Care Board Strategy and Joint Forward Plan, noting the progress which had been made since the last meeting. The proposed Healthwatch work programme for 2023/24 was also presented and endorsed. A further presentation on the achievements of a programme of work to implement the Oral Health Improvement Strategy was commended for achieving better child dental health outcomes.

## Neighbourhoods Wellbeing and Prevention

**Cost of Living: Household Support Fund:** Cost of Living is supported via the Neighbourhoods and Prevention teams, with Community Connector staff delivering the public applications for Household Support Fund, via the Help Hub. The latest funding period, running from April 2023 to March 2024 is referred to as Household Support Fund 4, with applications launched on May 30th 2023. In the first two weeks over 270 applications for support were made, of which 71% were households with children, 106 applications declared having someone with a disability living in the household. 43% were in employment with 84% also claiming some form of benefits. These early indications are showing a 20% increase in demand in applications. Partner involvement remains critical to the success of the scheme and a series of planning and consultation meetings have been held with partners to design the latest scheme for 2023/24 and a communications plan is now underway to promote the offer for residents.

**Volunteer Celebration Event:** The annual Volunteer Celebration Event was held on the 7th June 2023 at King Georges Hall and attracted over 130 active volunteers to attend the event along with the Mayor, the Leader, Strategic Director Adults & Health and a range of council officers. Across 13 council services, there are currently 2,380 active volunteers, of which 50% are currently employed and volunteer in their free time. The total impact of this is recorded as 6,000 hours over the past year based on volunteers logging their activity and it is estimated that the volunteer time figure is substantially higher than recorded activity.

**Together an Active Future: Pennine Lancashire Lifestyle Hub:** The Lifestyle Hub has received news that current funding arrangements have been extended until March 2025 at value of c£450k per year across the region. The Lifestyle Hub is a programme funded by Sport England's Together an Active Future and builds on the success of Blackburn with Darwen Borough Councils Wellbeing Service and provides the coordination of health and wellbeing referrals across Pennine Lancashire. It is designed to provide a simple entry point for health care professionals to refer people into in order to improve health and wellbeing and is led and coordinated by Blackburn with Darwen Borough Council health and wellbeing teams.

**re:fresh Leisure Centre Provision physical activity opportunities:** The Together an Active Future Local Delivery Pilot is now moving into an exciting accelerator phase and work continues in Blackburn with Darwen to support this. Creating significant investment in creating healthy communities and encouraging people to move more with funding and delivery targets now in place up to March 2025. There are three key themes of work which capture and reflect strategic priorities for Blackburn with Darwen while raising the visibility and embedding the importance of physical activity being the norm for prevention, treatment of long term conditions and supporting mental health & wellbeing:

- **A focus on Darwen** – co-designing engagement activities and creating opportunities for young people to move more with a focus on issues around anti-social behaviour. Promoting mental health & wellbeing through physical activity by facilitating work on suicide prevention and 'Safe places, shared spaces'.
- **Investing in community collaboration** - Supporting volunteer groups who operate and manage community assets. Co-creating a framework to support governance, bid writing, leadership and engagement. Working and learning together, sharing resources and creating active hubs.

- **Challenging and improving physical activity** – Influencing how Blackburn with Darwen Borough Council approaches, prioritises, promotes and positions physical activity.

## **Leisure**

**re:fresh Leisure Centre Provision physical activity opportunities:** Officers from across the portfolio have been working together to increase opportunities for residents to engage within leisure and physical activity across the borough.

A new timetable for the re:refresh Leisure programme has been developed for 2023/24. The programme has been increased to provide 110 hours per week of free and low cost gym access, swimming and other exercise opportunities across the borough. Swimming will continue to be free for children aged between 1 – 16 years where they are accompanied by an eligible parent or guardian. The previous £1 charge for adult gym and swim re:refresh sessions will be reintroduced. In order to promote the new re:refresh programme a six week communications campaign has been developed and an official launch will take place in late June 2023.

Public Health continue to fund targeted health and physical activity programmes within the Wellbeing Service and re:refresh teams within the portfolio.

As part of a borough wide programme, Public Health will continue to fund additional free community-based exercise sessions throughout 2023/24. These will target specific population groups which are known to undertake less physical activity than recommended. This includes those living with poor mental and physical health, older adults, vulnerable women and girls, people with learning disabilities and autism, and ethnic minority groups. These sessions will be delivered in partnership with community organisations at a variety of times and in venues that aim to reduce barriers to participation. Activities funded within 2022/23 included women's walking football, wheelchair basketball and other sports, seated exercise, walking groups, zumba and yoga. Over 300 hours of sessions were delivered in 2022/23, with more than 500 members of the public attending over a 9 month period.

## REPORT OF THE LEAD MEMBER FOR ADULTS & PREVENTION

COUNCILLOR MUSTAFA DESAI

PORTFOLIO CO-ORDINATING  
CHIEF OFFICERS: MARK WARREN

MEETING DATE: 20<sup>TH</sup> JULY 2023

## Build happier, healthier and safer communities

### Annual Adult Learner Awards

The annual Adult Learner Awards took place on the 27th June 2023 at Bank Top Neighbourhood Learning Centre. The awards celebrate the achievements of adult learners attending courses with Blackburn with Darwen's Adult Learning Service. The Deputy Mayor, Cllr Sylvia Liddle, attended the event to present 17 awards, including a new award for 2022-2023, the Volunteer Award. Achievements of the individual learners, chosen from over 2,500 people attending courses this year, included the successful achievement of a range of programmes and qualifications supporting learners on their own development journeys. Several award winners have found employment as a result of the courses they have undertaken, some within the Adult Learning team! Regardless of the subject matter, the positive impact on their own health and wellbeing was clear to see and hear as every winner came up to collect their well-deserved award. Many described the fear they felt when taking their first steps on their learning journey, but also the pride and self-confidence they experienced from their achievements. Courses delivered by the service cover a broad range of curriculum areas including Family Learning, Employability, Health and Wellbeing, Learning Difficulties and Disabilities, English for Speakers of Other Languages (ESOL), Mental Health and Resilience, ICT & Digital, Maths and English.

### Integrated Care

The integration of health, care and community services remains high on the Council's priorities to help improve care and support for our residents. Following the establishment of the Lancashire and South Cumbria Integrated Care Board in July last year, the local authority is working closely with our partners in the NHS to further develop our integrated working and we have jointly established a Blackburn with Darwen Place Based Partnership for health and care. This Partnership will act as the key vehicle to allow us to plan and deliver services together, so we are more able to respond to resident's needs and improve their health outcomes and experiences. The Partnership, chaired by Councillor Desai in his role as Executive Member for Adult Health and Care, involves the council, health commissioners (the Integrated Care Board) and providers such as the voluntary, community, faith and social enterprise sector (VCFSE), GPs, the hospital trust and community health providers.

The Partnership's priority areas of focus and transformation in 2023/24 are:

- Continuing to deliver high quality, integrated services in our neighbourhoods
- Transforming community-based health services, such as district nurses and therapy teams, to make sure they work as close as possible with GPs, social workers and VCFSE organisations, to provide the best care for people
- Improving the quality of our care sector
- Working with our communities to explore how they can improve their health and wellbeing and shape our service delivery

- Delivering specific activities to ensure our residents can Start Well, Live Well, Age Well and Die Well – aligned to the Joint Local Health and Wellbeing Strategy

As part of this, work has now commenced to review the current integrated neighbourhood arrangements and consider our local ambition for how the existing neighbourhood model can be developed. The neighbourhood workforce are being asked for their views on what the model needs to look like in the future. This is to help ensure even more local people and patients are supported as best as possible. A number of briefing sessions have taken place which over 100 valued and experienced neighbourhood practitioners attended. The next steps of the review include an anonymous survey and a series of focus groups which are being facilitated by a number of peers from other areas. The key findings from the survey and focus groups will be summarised and presented to the Place Based Board to inform the model going forward.

### **Adult Safeguarding**

Within the department, a new structure for the staffing of the operational Safeguarding team, with a shared management function for Safeguarding and DOLS, and increased leadership capacity, has been agreed and implementation begun. This will support Social Workers across the department to undertake Safeguarding enquiries, with oversight and assurance for these processes remaining the responsibility of the specialist team. A review of referral processes into the Safeguarding team was undertaken by the council's Transformation Team. This has resulted in a number of recommendations to improve the management of referrals and safeguarding concerns. These recommendations will be implemented alongside our adult's business plan, peer feedback and upcoming developments of the Mosaic system. In terms of the Adult Safeguarding Board and business unit, these structures have been scrutinised, resulting in changes to the Board and its business unit, in order to ensure ongoing compliance with all statutory obligations. The SAB will return to a place based board for Blackburn with Darwen, with its vision, priorities and business plan now agreed by partners.

### **Commissioning**

Work is underway to refresh and further develop our strategic commissioning plans. Overtime this work will include all commissioned services across adults, public health and children's services. Initial priorities are unpaid carers, ageing well and specialist services (including mental health and learning disabilities). This work is being aligned with the delivery of the council's corporate priorities and strategic intentions. This work will help the council to understand if services are value for money and if our investments are maximising outcomes for our population. The plans will support us to commission sustainable models of care. Although this work is focused primarily on services which are commissioned by the council, where appropriate, the work is also acknowledging the interdependencies with health commissioned services.

## REPORT OF THE EXECUTIVE MEMBER FOR DIGITAL AND CUSTOMER SERVICES

COUNCILLOR MAHFOOZ HUSSAIN

PORTFOLIO CO-ORDINATING  
CHIEF OFFICERS: Assistant Director  
CE

Thursday, 20 July 2023

### Being a forward thinking and innovative Council

#### **Civil Contingencies Service (CCS)**

A total of 212 incidents were reported in Q4 2022/2023, 70 of them being information received and 142 being warnings. There were a total of 1 Strategic Officer and 10 Duty Officer Activations. Some of the emergencies responded to included power outages, flooding, fires and road traffic collisions.

A summary of recent and planned activity:

#### **Emergency Planning / Preparedness**

- The annual Corporate Exercise took place in April for the Extended Leadership Team which focussed on the response to a cyber-attack.
- A 12-month training programme has been developed for Duty Officers.
- All emergency plans will undergo a review in the coming year.

#### *Schools*

- Various table top exercises have been delivered to help schools test their emergency response plans. More are planned for the coming months.

#### **Business Continuity / Business Continuity Promotion (BCP)**

The majority of departmental business continuity plans are now complete and an audit of the plans has been undertaken with any further action required on the plans being highlighted. A workshop will now take place where coordinators will be supported to work through Business Impact Analysis and their arrangements.

#### **Community Resilience / Volunteers**

The Workshop / Volunteers Event took place on 9<sup>th</sup> March 2023 which was an opportunity for both internal and external volunteers to network, share experiences and meet key speakers from the Environment Agency, Lancashire Volunteer Partnership and Newground. Following the event the team recruited some new volunteers who will be trained to support the community in an emergency response.

#### **Health and Safety (H&S)**

There were 154 Council accidents, incidents and near misses reported in Q4, a slight fall on Q3. Incident reporting has increased from Leisure Services in particular, in part due to dedicated H&S support and focus. 115 incidents were reported by schools, a rise from the previous quarter and potentially due to the school visits focusing on accidents.

Reports made to the Health & Safety Executive (HSE) under Reporting of Injuries, Disease and Dangerous Occurrence Regulation (RIDDOR) included:

- 2 Council reports in Q4 (resulting in over 7-day absences and investigations; remedial actions taken)
- 1 School report in Q4 (resulting in over 7-day absence)

Near miss incident reports fell to 18 in Q4. The majority are from Environment and Leisure teams. All Council departments are actively encouraged to report and address near miss incidents.

A summary of recent and planned activity:

- Corporate Health and Safety Compliance checks are in progress and returns will be reviewed to develop the Health and Safety audit programme.
- A review of Hand-arm Vibration Syndrome (HAVS) and Manual Handling has been undertaken for relevant teams.
- Health Surveillance programme is ongoing, with regular clinics to manage risks to employees exposed to noise and vibration.
- Draft bill has now been released on Protect Duty or Martyn's Law and consideration is being given to next steps.
- There is a review underway of the Events Safety Advisory Group to ensure appropriate governance and oversight of events taking place across the borough.
- Following recent fires at Pleasington Crematorium and at Hancock St Children's Centre a full review of fire safety across all sites is being planned.

### *Schools*

Spring term visits were undertaken focusing on accidents, incidents and near miss reporting and investigations, where the feedback was very positive. Spring and summer newsletters have also been written and shared with schools.

### **Digital Services and Transformation**

Over 30 projects / transformation pieces have been approved for the Digital and IT teams to deliver over the next 12 months. These range from technical infrastructure, system replacements and new processes / ways of working. These will be governed through a new framework that is being put in place.

The team have been supporting Adult Social care in various ways including a review of the different *front doors* that the service operates and the type of enquiries coming in and Service user feedback.

- The team have been working closely with Children's Services in areas including Fostering, Family Hubs and Disabled Facilities Grants.

### **Website and Intranet**

The website content lead has started work on the development of sub-sites for HR Recruitment and Climate Change. A sub-site will also be created for the Family Hubs. Sub sites allow for a slightly different branding, look and feel than the main website, but still use the same software and keep all sites in one place. Content improvements go hand in hand with the launch of new online forms to ensure that services are easy to find and use.

The development of a new intranet site is progressing well. The focus is ensuring information is accurate for staff to do their jobs effectively and that staff have access to news and what's going on around the Council. Initial feedback is that the site looks clearer and easier to use.

### **Information and Communications Technology**

The design for a new Cloud environment has begun and orders to replace the core Council network have been placed. The project to deliver a new Unified Communication



environment, replacing Skype, is progressing. Implementation will depend on the supplier but is expected to start around November 2023.

During June, the IT team responded to a number of limited but focussed cyber attacks on the Council and also on some schools in the borough. The attacks on the Council were detected and managed without damage being caused to services.

### **Performance and Business Intelligence**

The Council is developing a new suite of Corporate Key Performance Indicators which will be used to track our delivery against a range of significant Council responsibilities. There will be circa 40 measures that will be tracked on a regular basis. These new measures will be published online with supporting information highlighting their importance to the Council.

A key data project in the coming 12 months will be to support the Family Hubs programme. This will see a variety of data relating to vulnerable children and families brought together to provide front line professionals with a better picture of the family's needs. This will enable staff to have more informed conversations with families and provide more preventative help and support.

### **Information Governance and Security (inc. GDPR)**

There were 18 new information assurance incidents during Q4 2022/23. All incidents are monitored as part of the breach reporting process. None have been referred to the ICO.

We have achieved the minimum requirement for compliance (90%) with requests for information under the FOIA for Q4 2022/23 recording an overall compliance rate of 94.05% and with requests under EIR with a compliance rate of 98.7%. In addition we have achieved the minimum requirement for compliance with GDPR/DPA2018 subject access requests (90%) during Q4 2022/23 with a compliance rate of 97.92%. DPA2018 subject access requests (90%) in Q3 2022/2023 with a compliance rate of 91.26%.

Mandatory IG training recorded a compliance rate of 96.44% for 2022/23. This enabled us to achieve our standards met requirement for the NHS IG Compliance audit. During Q4 2022/23 the Schools IG Officer delivered a number of face to face training sessions for schools on Data Protection, managed 6 Subject Access Requests on behalf of supported schools and dealt with a number of breaches including one reportable to the ICO.

The audit programme for the 23/24 SLA year will touch on aspects of previous versions such as training and breaches but will focus on reviewing, and where necessary, updating the Record of Processing Activity (ROPA) for each school

### **RIPA**

In November 2022 the Council was inspected by the Investigatory Powers Commissioner's Office (IPCO). In his letter of 17 November 2022, the Inspector praised the Council's Procedure and Guidance and suggested a number of minor amendments which have now been made. The Inspector was informed of a desk-top training exercise undertaken last year and plans for a web-based training video on the Council's intranet to help raise RIPA awareness. The Council agreed to take the following steps to comply with the IPCO recommendations:

- To introduce a system whereby all social media and internet research is properly overseen by the RIPA Officer's Group every three months.
- To ensure material acquired under RIPA and the Investigatory Powers Act is properly retained, reviewed, and ultimately destroyed by all participants in the RIPA process including investigating officers, manager and authorising officers and
- To add appropriate wording to the RIPA Procedure and Guidance so that it provides practical guidance on the retention, review and destruction of RIPA authorisations.

### **Customer Services**

In Q1, Customer Services handled 29,030 calls; 7000 chats; 4253 emails; 2999 visits to Blackburn and Darwen Town Halls and 928 Blue Badge applications. Customer satisfaction has been impacted by some online services being unavailable at times during the quarter, such as the MyBwD account and payment services.

Email satisfaction is also not necessarily an indicator of poor customer service but is pre-determined by the reason for emailing. For example, if the customer has received a council tax reminder or their bin has not been collected.

Throughout the quarter, we have added new content to our chat service, such as Planning and School Admissions, as we build up business intelligence. We have started to respond to Facebook Messenger enquiries via our chat service.

### **Complaints/Feedback**

During the quarter 1 period, the Complaints team have received and dealt with:

- 159 MP enquiries
- 190 informal complaints
- 1 Comments/Suggestions/Queries
- 19 stage 1 complaints
- 0 stage 2 complaints
- 7 Ombudsman enquiries
- 63 compliments

The number of MP enquiries received have increased by 121% from the same period last year (72 MP Enquiries received for 2022-23 Q1 period). In the main these enquiries were around highways. We see a 43% decrease in informal complaints for this period compared to the same quarter last year. We also see an increase in Stage 1 complaints (from 6 to 19) as a consequence of an increase in Children's complaints.

Stage 2s see a decrease from 2 to 0 for the same period. The Feedback Team have been working hard to resolve complaints at the Stage 1 level thus de-escalating where appropriate after an initial review of the complaint.

A total of 63 compliments have been recorded for this reporting period, a 43% increase from the 2022-23 Quarter 1 period. The majority of compliments were received around Adults Social Care (23) and Corporate which also includes Education Services (23). This is as a result of the Feedback Team working together with the managers across departments in capturing positive feedback.

### **School admission appeals**

Between 1<sup>st</sup> April and 30<sup>th</sup> June 2023, the team have successfully administrated 170 appeals. A breakdown of the results of these appeals are set out below:

Unsuccessful – 114  
Successful – 32  
Withdrawn – 24

Our current charging policy only extends to Free Schools and Academies, and we charge £240 per appeal, and £120 for each withdrawn appeal to cover cost of admin and organisation etc.

Of note, is that the team administered 96 appeals for the same period in 2022, which is a 44% increase. The reason for the increase is a result of more families moving into the Borough as well as International New Arrivals to the UK.

### **Registrars**

Following the submission of the Annual Performance Report for 2022/23, the General Register Office (GRO) thanked the service for the hard work undertaken during a challenging year, as the service continues to work towards more normal working practices and focus on recovery following the Covid-19 pandemic.

The GRO was pleased to note the increased Birth performance targets from the previous year and that Still-Birth registrations remain consistent at 100%, as are the excellent appointment waiting times and levels of customer satisfaction across all statutory services. They also recognise the continued demand for marriages/civil partnerships that the service has faced this operational year.

#### Registration Service - activity during 2022/23:

12773 certificates issued  
2939 deaths registered  
406 people became British Citizens  
447 couples were married  
138 births registered

## REPORT OF THE EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE

**COUNCILLOR VICKY MCGURK**

**PORTFOLIO CO-ORDINATING  
CHIEF OFFICERS: Head of Finance  
Thursday, 20 July 2023**

### **Tackling the budget challenge**

#### **Revenues and Benefits**

The Revenues and Benefits Key performance indicators for 2022/23 clearly showed good annual outturn figures and improvement on the previous financial year. The collection of Council Tax achieved the end of year target, and exceeded the performance for 2021/22 by a full 1.0%, ending the year on 95.8%. Business Rates also improved on the previous financial year with an annual outturn figure of 97.82%, up 0.12% on the previous year. The Benefits service during 2022/23 saw an increase in the number of applications and changes in circumstances, driven in the main by the economic climate and high cost of living. Despite this, the combined assessment speed of both Council Tax Support and Housing Benefit applications was 11.4 days. (NB. This includes non-working days, such as weekends). The average processing time for change in circumstances during 2022/23 was also extremely good at 3.33 days.

#### **Business Rates**

The Business Rates team had a successful annual billing following the revaluation of all business property rateable values, and the extension of the government's Retail Relief scheme. The changes to the bills and subsequent customer contact has been the priority for the first quarter of the year.

#### **Council Tax**

The two Energy grant schemes rolled out by the Government have now been closed. The 'Energy Bill Support Scheme Alternative Funding' provided for a one-off support payment of £400 to those households who did not have a direct relationship with their energy supplier. A total of 228 applications were received during the duration of the scheme, of which, 185 have been paid, with a further 15 currently on hold due to disputes or queries. The second scheme which provided £200 for those households who had alternative fuel sources, for example, oil or biomass received 77 applications. A total of 57 have been paid, with 2 requiring further information.

Whilst a number of outstanding queries still remain, the scheme has now ended and a period of reconciliation will be undertaken with the relevant Government department.

#### **Benefits**

Progress continues to be made with the Supported Housing Improvement Programme. The activities include widespread discussion and feedback with residents within these properties, inspections of the standard of accommodation and detailed discussions with the landlords and providers.

Enforcement action has been taken against one of the larger HMO properties in the borough. As a consequence of the cessation of Housing Benefit payments, the Landlord has now closed the property. Whilst the Council was faced with a significant challenge in rehousing the residents, the outcome of this case shows how effective the programme can be in challenging landlords and raising standards.

The work undertaken has already provided significant financial return. The Council's own savings in the first few months of the programme are £175k per annum, with a further £27k attributed to the Department of Work and Pensions.

### **Financial Services**

The Finance Team has finalised closure of accounts for 2022/23 financial year, the revenue, capital and treasury outturn positions being reported to Executive Board on 6th July.

The team is now undertaking work to produce the annual statement of accounts and finalise sign off of the accounts for 2020/21 and 2021/22 by external audit.

In addition to the above, work has commenced on the budget for 2024/25, the Medium Term Financial Plan 2024/27 has been and will continue to be updated, modelling of best and worse case scenarios is underway and the team is working alongside budget holders to review their budgets in line with the four strands of the Council's financial strategy, Growing, Charging, Saving and Stopping.

### **Audit & Assurance**

Progress in delivering the 2023/24 Annual Internal Audit Plan was reported to the Audit & Governance Committee meeting on 11 July 2023. The report summarised the internal audit outcomes achieved to the end of May. In addition, the Committee received the 2022/23 Head of Audit Annual Internal Audit Opinion Report, along with the annual Risk Management and Counter Fraud Reports for consideration. The detail within these reports helps to inform the draft 2022/23 Annual Governance Statement, which the Committee also considered.

The Committee also agreed its annual report at this meeting, which was prepared on behalf of the Chair by the Head of Audit & Assurance. This summarised the work undertaken and reports considered by the Committee during 2022/23 to demonstrate that it had fulfilled its agreed terms of reference effectively.

### **Corporate Procurement and Contracts**

The procurement team have been busy working with colleagues on a number of procurements including procuring a new IT Backup Solution, calling-off works from the Civils and Surfacing Framework, procuring a contractor to build a new playground at Witton Park, procuring a new temporary traffic management contract, procuring works to repair the roof of Blackburn Museum and a mini-competition for road works at Holden Fold. The team has also started to provide support to Chorley and South Ribble Borough Council's under an agreement recently approved by Executive Board in June.

### **Legal & Governance Services**

The Litigation team continues with the prosecution work predominately with environmental offences. For the financial year 2022/23, the Litigation team dealt with 123 prosecutions under 'Single Justice Procedure' relating to environmental offences, mainly under Environmental Protection Act 1990. The prosecutions has resulted in fines of over £35k and £17,360 costs being awarded. The Litigation team has also dealt with a number of school non-attendance cases (including unauthorised holidays in school term time). For the financial year 2022/23, a total of 115 cases were sent through via the 'Single Justice Procedure' however, 11 of these were subsequently dealt with under a separate court summons process. The cases resulted in: fines - £34,152; cost - £11,466.16 and Victim Surcharge - £5,902. Following the High Court judgement around the Bus Station in October 2022, action is being taken to recoup the

Council's costs and losses arising from the dispute. To date £370,000 has been recovered from bond, plus £140,000 received from the security for costs provided by the insolvent contractor, Thomas Barnes & Sons.

### **Governance team**

In May 2023, the team supported the Returning Officer to deliver the local elections with the implementation of the Voter ID and accessibility rules. This included polling station assessments to ensure all venues comply with the new rules. The team processed 187 Voter Authority Certificates for the Lay local elections via the RO portal. The team is currently working on the annual canvass with national data match completed on 15th June 2023. This was followed by local data matching with Council Tax and Housing Benefit records. This has resulted in 81% of our households matching existing records both locally and nationally, which will allow the team to focus efforts on canvassing (canvass forms and door knocking) 19% of our properties (i.e. 2,168 properties). The annual canvass process is required in order to update the electoral register before its publication on 1 December 2023.

### **HR Services**

#### ***Pay Award Updates***

On 1 June 2023, the Staff Side responded to confirm that they will not accept any pay offer for Chief Executives for 2023-2024 until the outcome for NJC [local government services 'Green Book'] staff is known. The existing offer for consideration is 3.5%. For Green Book employees, the union Unite have informed BwD that they are conducting ballots for industrial action. Unite are seeking a pay increase of RPI + 2% and the additional elements of Unite's pay claim for all such workers, payable from April 2023. The Council has received the result of UNISON ballot and due to not reaching the 50% threshold for returns at Blackburn with Darwen, there will be no local industrial action based on this result.

GMB has also informed the National Employers that it intends to conduct a series of targeted disaggregated strike ballots for GMB members who are Local Government 'Green Book' employees and are proposing to open the ballot in September 2023. For Soulbury staff, the pay award for 2022-2023 has still not been agreed. A proposal for £1,925 continues to be rejected and at present the Association of Educational Psychologists are communicating with their members about potential industrial action with ballots closing on 8 September 2023.

### **Workforce Development & Organisational Development (OD)**

We have developed a new Council Workforce Strategy, 2023-26, with 4 key ambitions, leadership & management; culture & engagement; equality, diversity & inclusion and continuous development of our workforce.

We have received the results of our second bi-annual pulse survey and are continuing to respond to feedback from all employees. We are also supporting departmental staff briefings as well as the Employee Voice Group. We have launched our approach to personal plans, employees will have an annual conversation with their manager about their objectives and development. These will be supported by the development of training plans and workforce plans.

In June our second leadership conference took place, where over 140 senior managers from across the organisation attended. The event focussed on the upcoming LGA Peer Challenge; EDI and Health & Wellbeing. A leadership & management steering group has been established, chaired by Katherine White with a clear work plan including the introduction of minimum management standards, new managers induction and a

leadership pathway. These measures will us to develop our own leaders & managers for the future, with a real focus on addressing any under-representation in the workforce at all management levels.

**Equality, Diversity and Inclusion (EDI)**

The proposed structure and governance of our new Staff Inclusion Networks have been communicated to all staff and this feedback will be taken on board before the launch of these later this year. We are also in the process of drafting our EDI Strategy and Action Plan which will also be published later this year. A new cohort of EIA leads across the departments have received training and we will be reviewing this process in order to enhance decision making.



## REPORT OF THE EXECUTIVE MEMBER FOR GROWTH AND DEVELOPMENT

**COUNCILLOR QUESIR MAHMOOD**

**PORTFOLIO CO-ORDINATING  
CHIEF OFFICERS: Strategic Director  
of Growth & Development  
Thursday, 13 July 2023**

### **ALL PRIORITIES:**

#### **New Local Plan to 2037**

The ambitious new Local Plan for the Borough (2021-2037) continues its progress through its Examination in Public (EiP). The Plan was formally submitted to the Secretary of State in August 2022, and the Planning Inspectorate subsequently appointed two Planning Inspectors to conduct the EiP process. A series of Public Hearings took place in February – March 2023 to discuss the hearing statements in further detail and a schedule of required Actions and Modifications was subsequently prepared by the Council and agreed with the Planning Inspectors.

The Inspectors issued a post-hearings letter in June, which set out their general support for the Growth Strategy. The next step will be for the Council to manage a Main Modifications consultation (for a minimum of 6 weeks starting in August 2023), and all responses are to be sent direct to the Inspectors. The Inspectors will review responses and issue their final report recommending all modifications required for the Council to adopt the plan. It's hoped that the Local Plan will be adopted at Council Forum in early 2024.

### **PLACE, PRIORITY 4: CONNECTED COMMUNITIES**

#### **Levelling Up Fund 2 – Blackburn Growth Axis Transport Package (South East)**

In January 2023 the Council secured £20m from round 2 of the Government's Levelling Up Fund (LUF 2) 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. The funding supports the Council's Growth Axis ambitions and will deliver two key projects required to support our ambitions for Southeast 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 Growth Axis ambitions, help drive prosperity across East Lancashire, and reduce emissions and improve the health and wellbeing of residents in the area.

### **Cultural Services:**

#### **Libraries**

**Arts Council England Grant Success** - The Library Service has been successful in securing a £30,000 grant for the delivery of Blackburn with Darwen's 2023 Children's Literature Festival, a powerful tool which supports literacy development and promotes the joy of reading. This annual event, which began in 2018, has grown each year and is a real highlight in the Library's event calendar and the Council's wider cultural activity programme; last year the Festival engaged over 2,000 children. The festival will take place across National Libraries Week, 2<sup>nd</sup> – 8<sup>th</sup> October 2023 and will feature a range of

celebrated children's authors, poets, illustrators and artists performing in each of the Borough's 5 libraries.

**E-reading:** Blackburn with Darwen Library members can now access additional e-resources free of charge via the easy to use BorrowBox App, downloadable for both Android and Apple devices, giving access to tens of thousands of eBook and eAudio titles accessible from home or on the move 24/7.

**Summer Reading Challenge 2023** - In partnership with The Reading Agency, this year's challenge 'Ready, Set, Read!' was launched on 1st July. The free scheme, which runs to the end of September, invites children aged from 4 - 12 years to read 6 library books over the holiday period, receiving a certificate and medal once they've completed the challenge. Schools report that the progress children make in reading during term time can often go into decline during the holidays, so this initiative really makes a difference to reading development.

### **Venues**

Darwen Library Theatre and King George's Hall have enjoyed a great first quarter welcoming performances from lots of household names including Jools Holland, Frankie Boyle, Ocean Colour Scene and The Lathams. Names to look out for in September include the comedian Tom Allen and music from Public Image Limited (PIL) and The Hollies. Looking further ahead - tickets for this year's pantomime, Aladdin are already on sale. For details and bookings visit [www.bwdvenues.com](http://www.bwdvenues.com)

### **Heritage and Arts**

**Blackburn Museum:** June saw the start of essential work to replace the roof on Blackburn Museum and Art Gallery. The roof is in an extremely poor condition with water leakage causing internal damage to plaster work and galleries and limiting what art work and paintings are able to be displayed. The vital work is primarily being funded via a £365,000 external grant secured through Arts Council England, with the Council contributing £189,700. The Museum remains free and open to the public throughout the roof work, which is expected to be completed ahead of the Museum's celebration of its 150<sup>th</sup> anniversary next year.

## **PLACE, PRIORITY 5: SAFE & CLEAN ENVIRONMENT**

### **Climate Emergency Action Plan**

Work continues on the delivery of a number of different actions set out in the Council's Climate Emergency Action Plan (CEAP), which was agreed at June's Executive Board, including: tree planting; preparation of heat decarbonisation plans for the Council's largest emitting buildings (to assist the Council to be bid-ready for future rounds of Public Sector Decarbonisation Scheme funding); updating the Council's Climate Change Adaptation Strategy; expansion of carbon literacy training; and procurement of 11 electric vehicles to replace our ageing diesel fleet. The People's Climate Jury process has now concluded. The recommendations from this process fed into an update of the CEAP. The Council is also actively investigating options to consider how best to maintain collaboration and momentum between the Council and other relevant external organisations / business leaders following the People's Jury, to help achieve net zero ambitions.

## **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 continuing to progress:

- Haslingden Road Housing Site - Keepmoat Homes secured planning permission in 2022 to develop 300 new homes, including 160 family homes for sale and up to 50 keyworker affordable homes in the first phase. A report was taken to Executive Board on 11<sup>th</sup> March seeking approval to appoint a contractor to build a new access into the site and carry out the next phase of road widening on Haslingden Road. The Casey Group have now been appointed to carry out the works which are planned to commence in August.
- Whalley Old Road Housing Site - Vistry Partnerships have completed the purchase of the site to deliver 165 high quality family homes. Planning permission was granted in November 2022 for the scheme, which will include Vistry's flagship 'Bovis Homes' brand to the site. Blackburn will be the first site to offer Bovis Homes in Lancashire.
- Holden Fold Housing Site - Executive Board in December 2022 approved the appointment of Vistry Partnerships as preferred bidder to build around 477 new homes of mixed tenure to include 2, 3 and 4 bed family homes, including 170 affordable homes for rent and home ownership. Vistry plan to build new homes under their 'Bovis' and 'Linden Homes' brands and attended preplanning discussions with the Council in March. A planning application has been submitted and will be assessed over the coming months. Legal agreements are being finalised to complete the sale of the land which is in multiple ownerships.

Progress on selected other developments on Council land:

- Countryside Homes and Together Housing are making good progress at their development of 390 new homes of mixed tenure on two sites on Fishmoor Drive and one site on Roman Road.
- McDermott Homes at Ellison Fold Way, Darwen, are continuing to make good progress at their development which will deliver a combined total of around 340 new family dwellings, including 70 affordable homes plus funding towards more school places, roads and improvements to Blacksnape Play Area. Part of the site was Council-owned.
- McDermott Homes continue with a successful build programme at Lomond Gardens, Blackburn, which is nearing completion.
- Elan Homes, Milking Lane, Lower Darwen – which the Council owns as part of the Barnfield Blackburn Ltd Joint Venture – have started works on site to build 76 new family homes.

Despite the challenging economic environment, the Council's continued pro-active Growth Programme has helped to ensure that the completion rates of new homes is being maintained. To this end, 569 new home completions were recorded from 1<sup>st</sup> April 2022 – 31<sup>st</sup> Mar 2023.

## **Employment Developments**

Further to the Council's agreed Growth Programme, the following major commercial projects involving Council land are continuing to progress:

- Barnfield Construction has progressed construction at Dock St / Eden St, where new employment units are to be provided. The development is expected to complete by August 2023.
- At Carl Fogarty Way, construction of new commercial units has started clearance works at Plot 1, with a revised project being considered through planning. The planning application for commercial units at Plot 4 was determined in the Autumn of 2022, and works have commenced on site. A commercial development at Plot 6 is also being assessed in planning. The preferred bidder for Plot 3, Autolab, was selected at Executive Board in October, and a planning application for the site development is under assessment.
- Development of new industrial / commercial units at Millbank Business Park in Lower Darwen, which is owned by the Council's Joint Venture Company with Barnfield Construction, is well under-way.

## **PLACE, PRIORITY 7: SUPPORTING OUR TOWN CENTRES AND BUSINESSES**

### **Townscape Heritage Project - Blakey Moor/Northgate/Lord Street West**

Roof and chimneys have been reinstated to the original section of Blakey Moor Terrace and the historic building structure is now fully stabilised allowing construction to start on the new curved extension. Timber replacement windows have been made by Blackburn joinery company, Ellison & Groom, and colour schemes are being finalised. It is expected the building will be completed to shell by end of February 2024.

Roof repairs are being undertaken at 48 Northgate and 50 Northgate is undergoing shopfront and internal refurbishments ready for a hair dressers to open in July.

An impressive piece of public art celebrating Blackburn film pioneers Mitchell & Kenyon and the first ever western was unveiled in June. The piece, entitled 'Quiver' consists of 40 pewter arrows set into the gable end of the recently refurbished 34 Northgate. Guests attended the launch event at Prism Contemporary Gallery for food, film and an archery sessions before making their way to Northgate to see the work and hear from the artist Jamie Holman and Deputy Mayor, Cllr Syliva Liddle.

### **Morrisons Relocation**

Maple Grove Blackburn (Joint Venture Partnership between the Council 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 being prepared and design progressed with a planning application now scheduled to be submitted in Autumn 2023.

### **St John's 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 help businesses to thrive in Blackburn. A planning application for the refurbishment project is scheduled to be submitted in Summer 2023.

### **Darwen Town Deal**

The Darwen Town Centre and employment growth projects are focussing on detailed design, programming and procurement with planning applications for Darwen Market Hall and Arches, Darwen Library Theatre, Chapels South Employment Site and Perspex relocation of manufacturing all expected to be submitted before the end of 2023. All projects will be on site during 2024 with more details to follow later in the year.

### **Imperial Mill Acquisition and Development**

Following approval to acquire the building at February's Executive Board, legal completion of the sale and leaseback will complete this July. Following completion, works to ensure the building is wind and watertight will be prioritised over the next 2-3 years as we start to undertake feasibility studies and develop our long-term plan.

## REPORT OF THE EXECUTIVE MEMBER FOR CHILDREN, YOUNG PEOPLE AND EDUCATION

COUNCILLOR

PORTFOLIO CO-ORDINATING  
CHIEF OFFICERS: Strategic Director  
of Children & Education (DCS)  
Thursday, 20 July 2023

### **Every child and young person to have opportunities to fulfil their potential**

#### **Early Help and Protection**

The impact of Early Help (EH) has been evidenced through our quality assurance work. The current focus is on utilising what works well in EH into social care services. EH are supporting the quality of practice through the following:

#### **Voice of the child and family –**

The voice of the child and family is included in step down plans from Child in Need to case closure/Child and Family Assessment (CAF) ensuring all family members and professionals understand their ongoing role in supporting the family.

#### **Child Advice and Duty service (CADs) –**

CADs offers a safe response to children at risk of immediate harm and threshold are applied well in most cases. A task and finish group is in place to achieve this with the direct reporting of progress and impact to the quarterly CADs Strategic Partnership Group, next due to meet in July.

#### **Duty and Assessment -**

Duty and assessment has seen improvements being made in some areas of practice, impacted by increased staff stability. We are currently doing a deep dive on our work within child in need to ensure we understand the impact of our partnership practice upon outcomes for our children.

#### **Child Protection (CP) and Court:**

We are increasing our focus on CP plans over the next 9 months, introducing 'moving forward meetings' where reflective discussions take place between professionals. This is moving to a multi-agency approach in the next few months. We continue to have timely outcomes for children within our court proceedings.

#### **Corporate Parenting and Permanence Placements**

Foster carer fortnight was an exciting time for the team. The event kicked off with a 'Big Bang', with Indian drummers and a parade around the town centre and then an information stall within Blackburn Market. We had various events over the fortnight; cake and coffee mornings at the local children's centre, information evenings at Blackburn College; Walks at local parks, as well as a community litter pick. These events were successful in spreading the word of our Fostering Strategy in recruiting new foster carers. Our recruitment strategy is ongoing, the team had a presence at Pride within Blackburn Town Centre, which was an exciting day, the team successfully secured some enquires around becoming a foster carer/s. The team also supported the launch of the Family Hub's within Blackburn. This week there is an event at Witton Park where the team will be supporting a fun day event linked to Breastfeeding awareness on Saturday 2nd July 2023. The Royal Lancashire Show is coming up on the 21st- 23rd July 2023 at Salesbury Hall, Ribchester, where the Show Gates Open 9.30am - 5.30pm, the team will again be

visible and promote recruitment. It is clear from the events that networking helps to strengthen community links.

Since May 2023 there has been a lot of interest shown when talking to people. As such, there has been an increase in enquiries and hopefully these will progress onto assessment. The team are successfully receiving positive enquiries, these are vastly coming from social media and advertising. In terms of statistics we have six households whom we are 'Keeping Warm', and having ongoing conversations with. We are well on the way to being able to approve twelve households filled with love for our children and young people this year.

Finally, the service is streamlining the recruitment application process through a digital platform, which is being coproduced with our Foster Carers. There is a meet and greet for foster carers to test this for us whilst providing support around caring for our children and young people via a coffee morning. The team are incredibly proud of the commitment from our foster carers to transform the service and prepare us for future reform.

### **The Revive Service.**

The service continues to deliver the foundations of attachment course which is a 6 session programme (6 x 3 hours) to help our foster carers and parents nurture their attachments with their child. It is designed specifically for those caring for children whose capacity to emotionally connect has been compromised as a result of attachment problems, trauma, and loss or separation. Revive are just coming to the end of the second group with carers in BWD. Eight carers attended the first group that included both foster and kinship carers and five for the second group. Attendees have commented on how useful they have found the group, which has helped them to build better relationships with their children and think differently about the parenting needs they require. Some carers have commented on the group also helping to stabilise their child's placement with them (as a result of them feeling more confident and having better understanding and skills). Analysis of the impact will occur after the second group with all carers of both groups completing measures of how they feel and think about their child, their own abilities as well as their child's behaviour.

### **Children In Our Care (CIOC)**

The main success for the children in our care service has been the ability to stabilise the workforce. This has meant that the team are fully staffed, and all current posts are filled with permanent social workers. This has enabled a comprehensive review of the CIOC structure which identified the need to create additional Advance Practitioner posts, which will allow for caseloads to reduce to an appropriate level. This will ultimately reduce the likelihood of children and YP having to be re-allocated to a new social worker, allowing our social workers the opportunity to build meaningful relationships with children and YP, allowing them to understand their lived experience. This also allows for shared learning and development across the service, with the current focus being ensuring our social workers are skilled in communicating with our children and young people.

The stabilisation of the workforce has allowed for a renewed focus on meeting the needs of our children and young people with some tangible outcomes, none more so than our ability to meet the health needs of our children. In January 2023, only 59% of our children/ YP were recorded as having had their dental needs met, in that they had not seen a dentist in over 12 months. This number has now increased to over 90%, which is incredibly positive. This has allowed identification of those children who did not want to attend, allowing time to offer support and to identify those struggling to get an appointment. Those who were struggling have been supported through the new oral health pathway, if living in the pan-Lancashire area and those living outside we have supported from multi-agency planning.



## **Appletrees Short Break Provision**

Appletrees continues to offer an outstanding short-breaks service to our children and YP with complex needs. Each month a Regulation 44 visit is completed by an Independent Person considering key themes such as the home environment, supporting education and considerations in relation to safety. Each report has been continued to be extremely positive with the latest three reports all making zero recommendations for improvements. Highlights included the home environment being described as outstanding with the team continually reviewing where improvements could be made. The professional feedback received, was, as it always is, excellent and showed great working relationships with other teams as well as great care to young people that makes a difference to them and their families.

Appletrees has also recently been inspected for the purpose of the Investors in Children accreditation, which it received, again with excellent feedback. The conclusion of this report really did sum up the service offered by Appletrees when the inspector stated; 'It was clear to see throughout my visit that children, young people and families are actively involved in dialogue via a variety of ways. Everyone spoke highly of the service they receive and were able to give numerous examples of how children's interests, likes and dislikes are taken on board and implemented in their time with Apple Trees. I am as always blown away with the impact the service has and its benefits'.

## **Adolescent Offer**

### **Young people's Services (YPS)**

YPS continues to lead and support the development of a new youth work infrastructure organisation named 'BwD Young People's Foundation' (potential future name 'Young BwD') supported by the national Young Peoples Foundation Charity. Spring North are 'incubating' the YPF development with and have appointed an interim CEO. Governance is in place and a draft strategy and website developed.

YPS delivered HAF programmes over Easter for its TYS and SEND cohorts:

TYS delivered 90 hours of delivery (16 hours is minimum required 4 hours, 4 days) and 97 individual C&YP engaged. SEND provision delivered 60 hours and 64 individual C&YP engaged over the period.

YP engaged in a range of activities and visits including, Music, Bushcraft, canal barge, mountain biking, Zoo and seaside trips, and residential

YPS Participation Team delivered a highly successful Climate Change Summit. Over 100 C&YP attended from primary and secondary schools and workshops comprised of recycling, flooding and fast fashion.

## **Youth Justice Service**

The remit and breadth of work undertaken by the YJS has now extended to support children on the periphery of the justice system via government funding from the Ministry of Justice, known as Turnaround. Having been hastily rolled out at the end of the last financial year, this resource is now operational and available for Police, Community Safety and Housing Associations to refer into. Designated YJS practitioners will assess and support eligible children into more constructive, meaningful and sustainable activities to prevent their future involvement in criminality.

The YJS responded to a direct request from HMI Probation to support their training of new inspectors through the production of mock interviews to be recorded and used as training materials. Three separate events took place; the first an interview with a case manager discussing a redacted live case, the second for practitioners to undertake a group discussion under the staffing arrangements and senior managers from the service were interviewed as part of leadership and governance arrangements. The

process appears to have been successful and the YJS received personal thanks from Andrea Brazier, Head of the Youth Inspection programme for HMIP for our support and contribution. We hope this will be beneficial to our future working relationship with the inspectorate and we have offered our ongoing support as they devise future methodology for their inspection framework

### **Education and Vulnerable Learners**

The School and Education team have continued to offer strong challenge and support to all our schools and settings throughout the 2022-23 academic year. This term, has seen the administration of the EYFS baseline assessments, KS1 Phonics Check, KS1 Statutory Assessments (SATs), KS2 SATs, GCSEs and A Levels.

**Supported Internships** are an education study programme for young people with additional learning needs/disabilities aged 18 to 24, who want to move into employment and need extra support to do so. They are an exit route from education into paid employment and require the young person to have an active Education, Health and Care Plan.

Blackburn College have offered a small supported internship programme to young people in Blackburn with Darwen for the past decade. In line with the Government's plans for SEND ('Right Support, Right Place, Right Time') the Post 16 Learning Manager is working in partnership with the Blackburn College and other stakeholders to increase the supported internship offer. By September 2023, we are aiming to have 31 young people engaged in one of 3 programmes:

- **Get Ready:** this one year study programme is an introduction to working life and includes placement opportunities within the third sector, employability qualifications and relevant maths and English.  
The Get Ready programme leads to either:
- **Get Set:** a one year study programme for 'work ready' young people. Placements within the public and private sector, further qualifications and relevant maths and English.
- **Project Search:** a one year study programme for work ready young people. Fully based at ELHT (Blackburn Royal) with 3 different rotations across the year. Relevant maths and English linked to the workplace.

Each programme will be delivered year on year, recruiting 31 young people each academic year. Further increases are possible if successful outcomes are achieved. Alongside this, the DfE have provided local authorities with some Grant Funding to establish and develop SEND employment forums. This work is being supported by the National Development Team for Inclusion (NDTi) as part of the national 'Internships Work' programme. It is hoped that an employer forum will further enhance partnership working as well as increasing the paid opportunities available when the supported internship is completed.

### **Key Issues and Challenges:**

Engaging employers – having the 'contacts'. Many BwD businesses are SMEs and capacity is stretched.

Achieving paid employment post internship – the host employers are not obliged to offer paid work at the end of the programme, although it is hoped that they will.

Support post internship – during the supported internship, the young person receives the support of a Job Coach and also a tutor. Identifying support that can be offered once they leave education is a challenge.

## **Designated Safeguarding Manager for Schools**

Designated Safeguarding Leaders (DSLs) in schools often take on challenging and emotionally difficult work and do not always have access to appropriate supervision especially when managing the emotional impact that this work entails. A pilot funded by the 'What Works Well in Social Care' through the DfE was launched in September 2021 to offer Supervision to DSLs across a number of schools, BWD was successfully in securing funding to be a pilot authority and have run this pilot for the last 2 years. For us, this started with a randomised controlled trial of 36 schools. The evaluation was to determine whether offering supervision to DSLs within selected schools would have an impact on the children and families to whom we support.

### **Key Features:**

- Ensure strong sharing of DSL's experience and expertise across education.
- Prevent inconsistency in the information coming from a variety of sources, giving potentially wrong and varied information in managing safeguarding concerns or accessing resources.
- Use multi-agency and network connections effectively to ensure that all our children are able to access information readily, which can be disseminated through schools.
- Support schools with children who have extremely low attendance and with the implementation of the 'Working Together to Improve School Attendance'.

### **Supervisions**

Supervisions are offered termly, half termly or monthly, with the majority of schools opting for a supervision to be held every half term. Supervisions can last anywhere from 1 hour to several hours. This is often dependent on need, the matters to discuss or the type of supervision. Supervisions are either individual or group supervision, with group supervision taking on forms of reflective discussions. 'Ad Hoc' supervisions have continued to be offered and are mainly via telephone or email.

Through offering this support in terms of supervisions, there has been a decline in referrals from schools across the Borough with contacts into CADS being more appropriate.

### **What is going well?**

- DSL Supervisions
- Established DSL forums for primary and secondary sectors
- Engagement, networking and relationship building across partners resulting in increased access to resources.
- Promotion of Graded Care Profile (GCP) to ensure that all schools are able to access the GCP training.
- Improved understanding of the work of Engage/YJS and other services available to support children and young people

## REPORT OF THE EXECUTIVE MEMBER FOR ENVIRONMENT & OPERATIONS

COUNCILLOR JIM SMITH

PORTFOLIO CO-ORDINATING  
CHIEF OFFICERS: Strategic Director  
of Environment & Operations  
Thursday, 20 July 2023

### Build happier, healthier and safer communities

#### Waste and Recycling

##### Waste Education and Enforcement

Working within communities, the 2 Environmental Education Officers have been out and about delivering education sessions in schools and community venues across the Borough. Since April, 6 schools have been visited and have undertaken our recycling heroes' session and 4 schools have borrowed our litter picking equipment to go litter picking in their local area - [Hero News – BwD Recycle \(recyclebwd.org\)](https://www.recyclebwd.org).

Since April, a further 47 Keep It Tidy Volunteers were recruited and were encouraged to contact their respective Keep Blackburn or Keep Darwen Tidy group too. Since April, we have also had 9 community clean up's arranged by residents wanting to clean their local area.

There was a beatsweep arranged in the Galligreaves area by Community Safety team in June. This was a multi-agency approach whereby the Police, Fire Service, Red Rose Recovery, Environmental Education and Enforcement and Together Housing came together to try and overcome issues in the area. Together Housing organised skips for the residents to use, a survey was filled out by residents regarding bins and rubbish disposal and a litter pick was undertaken. St Luke and St Johns Primary School also came to help with the litter pick.

Our most recent bin calendar and guide has been sent to print with a look to be posted to every resident in the Borough in the last two weeks in July. The focus is on the right recyclables in the right bins, food waste survey 2022 – what you told us and batteries/vapes.

A blue bin video has also been created showing the journey of our paper and cardboard which should be released in the next few days - [Blue Bin video \(vimeo.com\)](https://www.vimeo.com)

Our Environmental Crime Team joined forces with the Environment Agency & Lancashire Police to carry out inspections at waste sites across the Borough. These are sites that have the necessary permits to accept waste, however there are strict rules with regard to what type of waste, the amount of waste and how/where it is stored. Twenty sites were visited in which the following problems were found:

- Five suspected breaches of licence on two of the licenced sites
- Two sites did not have licences but were trading
- One stolen vehicle found
- One fly tipping hotspot located

## **Public Protection and Environmental Health**

### **Proceeds of Crime Case conclusion**

A Proceeds of Crime application made by the Public Protection Service has finally reached a conclusion, with the defendant being ordered to pay £50,000 in Proceeds of Crime, and £35,000 in costs at Preston Crown Court.

In February '22 the defendant, Alan Ahmad, owner of Smak Polski on Bank Top, pleaded guilty to business fraud offences relating to a tobacco raid carried out by Trading Standards in 2018. He was sentenced to 12 months imprisonment on each of 7 counts, to run concurrently, and 4 months imprisonment for two other related offences, again to run concurrently. The custodial sentence was suspended for a period of 18 months, with a requirement to perform 150 hours Unpaid Work and Rehabilitation Activity.

Under POCA rules the Council will get 37.5% of this POCA payment (£18,750), giving the Council a total of £53,750.

Illicit tobacco worth £81,000 and alcohol seized during the original raid in 2018 were also surrendered to the Council for destruction.

## **Parking Services**

### **Parking Services Income**

The ability for Parking Services to generate income over the last two financial year has been severely hampered due to the series of lockdown measures placed on society due to the Covid pandemic, however as these are no longer in place we are for the first time seeing usage and income levels return to pre-covid levels.

Over the first 3 months of this financial year we have seen income from Pay and Display be around 98% of what it was pre-covid, with the number of vehicle movements being around 96% of pre-covid levels.

### **Blakewater Car Park**

Construction of a new car park on the old Blakewater Lodge site just off Swallow Drive will commence on the 27<sup>th</sup> July 2023. The new car park will provide 54 parking spaces plus 5 disabled parking bays. The new car park will provide much needed additional parking facilities for those visiting the businesses in the area.