

**FINANCE COUNCIL**  
**Monday 28<sup>th</sup> February 2022**

**PRESENT –** *The Mayor Councillor Derek Hardman, Councillors , Akhtar H, Akhtar P, Baldwin, Bateson, Browne, Casey, Desai M, Desai S, Fazal, Fielding, Floyd, Gee, Gunn, Humphrys, Hussain M, , Jan-Virmani,, Khan M, Khan Z, Khonat, Liddle, Mahmood, Marrow, McFall, McGurk, Oates, Patel A, Patel Alt, Rawat, Rigby J, Riley, Russell, Salton, Sidat, Shorrocks, Slater Ja, Slater Jo, Slater Ju, Slater N, Smith D, Smith J, Talbot, Taylor and Whittle.*

**RESOLUTIONS**

**53 Welcome and Apologies**

The Chief Executive read out the notice convening the meeting.

Apologies were received from Councillors Brookfield, Connor, Harling, Hussain I, Hussain S, Irfan, and Walker.

After Prayers by the Mayor's Chaplain, a Minute's Silence was observed in memory of former Councillors Ian Forrest and Barbara Gordon.

**54 Minutes Of The Previous Meeting**

The Minutes of the Council Forum meeting held on 27<sup>th</sup> January 2022 were agreed as a correct record.

Members noted the apologies and absences of Councillors Brookfield and Connor, both of whom had not been able to attend a meeting recently and, to ensure that they were not affected by the six-month rule for non-attendance at Council Meetings, Council agreed to an extension for both Councillors until Annual Council in May 2022.

**55 Declarations of Interest**

No Declarations of Interest were submitted.

**56 Mayoral Communications**

The Mayor updated Members on recent events and activities he had attended and also gave a reminder about the forthcoming Mayor's Ball.

At this point of the meeting, Councillors Mohammed Khan and John Slater commented on the recent Russian invasion of Ukraine, condemning this action and hoping for a peaceful resolution as soon as possible.

**57 Report of the Independent Remuneration Panel**

Members received a report from the Independent Remuneration Panel, which had recently reviewed the Members Allowances Scheme.

The current scheme was introduced in May 2018, and therefore required review and for a revised scheme to be implemented from May 2022.

The Panel had been chaired once again by Ian Woolley, who had been assisted by Miranda Carruthers Watt and David Swift.

No major changes were recommended in the report, with only minimal changes to the existing scheme, and a draft new Members Allowances Scheme was attached at Appendix 2 of the report.

## **RESOLVED –**

That Finance Council approves the recommendations of the Independent Remuneration Panel, as set out below and approve the draft Members Allowances as attached at Appendix 2 of this report, and agree for its implementation from May 2022.

1. The Panel ask that the Council note that the level of allowances paid at Blackburn with Darwen is generally lower than the other Councils looked at. The Panel notes the difficulties of comparing differing Councils, but feel that allowances such as the Leader for example, are comparatively low, but acknowledge the financial position of the Council, so are not recommending significant changes to the Scheme. However, the Panel feel that the lower levels of remuneration by Blackburn with Darwen needs to be addressed in future years, to bring them to a comparable level with counterparts, including increasing basic allowances to encourage more diversity and representation from people currently unable to devote time for public duties.
2. That the Council agree to introduce the following SRA payments:
  - SRA Payment for Vice Chair of the Standards Committee of £786 at current rates.
  - SRA Payment for Chair of Audit & Governance Committee (if not already receiving higher payment for other position) of £1572 in line with equivalent payment for Chair of Standards Committee. Also SRA payment for Vice Chair of Audit & Governance Committee if not already receiving higher payment for other position) of £786 in line with equivalent payment for Vice Chair of Standards Committee at current rates.
3. That increases to Basic Allowance and SRA payments each year continue to be in-line with the annual local government pay settlement and back dated as appropriate.
4. That the Council consider the introduction of a Parental Leave Policy to increase the diversity of Councillors.
5. The Panel stressed that the provision in the existing Members Allowances Scheme that only one SRA is paid (i.e. the highest amount) where more than one responsibility/position by any Councillor, is retained.
6. In the event of the establishment of any extra Committees/sub committees it is recommended that remuneration for any new responsibilities/positions are in line with existing comparator Committees.

## **58 Provision of External Audit – PSAA Opt-in Invitation**

A report was submitted seeking agreement to join the national scheme for the procurement of External audit services with effect from the financial year 2023/24.

The Public Sector Audit Appointments (PSAA) was now undertaking a procurement for the next appointing period, and the report submitted concluded that the sector led procurement conducted by the PSAA would produce better outcomes and be less burdensome than a local procurement exercise.

**RESOLVED** – That the PSAA invitation to opt into the sector- led option for the appointment of external auditors to principal local government and police bodies for five years from 1<sup>st</sup> April 2023 be accepted.

## **59 Senior Management & Constitutional Update**

A report was submitted updating the Council on the appointment to the post of Director of Public Health (DPH), seeking approval of the permanent appointment of the statutory Monitoring Officer role, and a number of other changes as outlined in the report submitted, and highlighted in the recommendations below.

**RESOLVED** – That Council:

1. Endorse the decision of the Chief Officer Employment Committee to appoint Mr. Abdul Razaq to the post of Director of Public Health (DPH).
2. Note the decision of the Chief Officer Employment Committee to appoint the Interim Strategic Head of Service, Legal & Governance (MO) to the post of Deputy Director with responsibility for Legal & Governance Services who will act as the Council Solicitor, and approve that the post holder be appointed as the Council’s Monitoring Officer on a permanent basis.
3. Endorse the recommendation of the Chief Officer Employment Committee in respect of the re-designation and regrading of the post of Director in Place to Strategic Director.
4. Subject to 2 and 3 above, authorise the Monitoring Officer to update the Constitution and approve other updates to the Constitution reflecting the changes set out in this report.
5. Approve the Council’s Pay Policy Statement for 2022/23, reflecting the changes set out in this report.

## **60 Statement on the Robustness of the Council’s Budget Calculations for 2022/23 and the Adequacy of Financial Reserves**

Members received a report on the robustness of the Council’s budget estimates for 2022/23 and the adequacy of financial reserves in accordance with Section 25 of the Local Government Act 2003.

Members were reminded that Section 25 of the Local Government Act 2003 placed a statutory requirement on the Council’s Chief Financial Officer to report on:

- 1 the robustness of the estimates within the overall budget, and
- 2 the adequacy of the proposed level of financial reserves

Councillors needed to have regard to the report when making decisions on the 2022/23 Budget

(Revenue Budget and Capital Programme) and the level of Council Tax for 2022/23.

## **RESOLVED –**

2.1 Finance Council is recommended to consider and have regard to the statements from the Director of Finance (as the Council's statutory finance officer) as provided at Appendix A when determining the Budget (Revenue Budget and Capital Programme) and the level of Council Tax for 2022/23.

### **61 Capital Programme and Capital Strategy 2022/25 and General Fund Revenue Budget 2022/23 (and Draft Financial Strategy 2022/25)**

The Executive Member for Finance and Governance, Councillor Vicky McGurk, on behalf of the Labour Group, presented proposals for the Capital Programme and Capital Strategy 2022/25 and General Fund Revenue Budget 2022/23 (and Draft Financial Strategy 2022/25).

In terms of the Capital Strategy, the report submitted sought approval for the 2022/23 – 2024/25 Capital Strategy, set out in Appendix 1 and Capital Programme, set out in Appendix 6. The Capital Strategy gave a high-level overview of how the Council's capital expenditure, capital financing and treasury management activity contribute to the provision of local public services, along with an overview of how associated risks are managed and the implications for future financial sustainability. Decisions made this year on capital and treasury management would have financial consequences for the Authority for many years into the future. They were therefore subject to both a national regulatory framework and to a local policy framework, summarised in the report.

A report was also submitted recommending proposals for the Revenue Budget 2022/23 together with a Financial Strategy 2022/25.

The report provided details of the Autumn Budget and Comprehensive Spending Review, as it impacted on Local Government, and information on the Local Government Finance Settlement, details of which were confirmed by the Secretary of State for the Department of Levelling Up, Housing and Communities (DLUHC) on 9th February 2022.

The development of the budget for 2022/23 was set against the backdrop of over a decade of austerity which had resulted in the Council experiencing one of the highest funding reductions of Unitary Councils across the Country over that period. This was despite being amongst the most deprived Boroughs according to the Indices of Multiple Deprivation.

Latterly, this position had been compounded by the deep impact of Covid-19 with Blackburn with Darwen experiencing some of the worst and enduring effects of the Pandemic. At the time of writing, the Pandemic remained with rates of infection in the Borough continuing to be a cause for concern and the pressure on the delivery of Council Services, both in terms of reductions in income and additional costs of both response to and recovery from the Pandemic, continuing to impact.

Underpinning the development of the budget for 2022/23 (and the Council's Financial Strategy and Medium Term Financial Plan 2022/25) was the continuing impact of austerity. Although the Council's Core Spending Power for 2022/23 had increased, that increase was neither sufficient to make up for the funding reductions experienced by the Council since 2010 nor reflective of

the significant changes in demand for services. As a consequence, the Council's Medium Term Financial Plan still showed a forecast funding deficit for which action would need to be taken to ensure the Council remains financially sustainable.

The report set out funding allocations for 2022/23, along with cost pressures, Government assumptions relating to Council Tax in 2022/23, the Council's Council Tax base for 2022/23, development of the base budget, reserves and balances, and the Financial Strategy and Medium Term Financial Plan 2022/23 to 2025/26.

Following debate, there was then a recorded vote on the recommendations in both reports, with Councillors voting as follows:

### **FOR**

*Councillors , Akhtar H, Akhtar P, Bateson, Browne, Casey, Desai M, Desai S, Fazal, Fielding, Floyd, Gunn, Humphrys, Hussain M, Jan-Virmani, Khan M, Khan Z, Khonat, Liddle, Mahmood, McFall, McGurk, Oates, Patel A, Rawat,, Riley, Sidat, Shorrocks, Smith D, Smith J, Talbot, Taylor and Whittle.*

### **AGAINST**

*Councillors Baldwin, Gee, Marrow, Patel Alt, Rigby, Russell, Salton, Slater Jacq, Slater Jo, Slater Ju, and Slater N.*

### **ABSTAIN**

*Councillor Derek Hardman.*

## **RESOLVED – That Finance Council:**

### **Capital Programme and Capital Strategy Report 2022/25**

1.1. approve the Capital Strategy for 2022/25 (in Appendix 1), including: a) the Council's Capitalisation Policy, as outlined in Appendix 2; b) the Minimum Revenue Provision (MRP) Statement, which determines the Council's policy for repayment of debt (Appendix 3); c) the proposed prudential indicators for the forthcoming year (Appendix 4); d) the proposed Investment Strategy for 2022/23, as outlined in Appendix 5. e) the proposed Use of Capital Receipts Strategy, as outlined in Appendix 6.

1.2. Approve the proposed Capital Programme for 2022/25, as outlined in Appendix 6 and Appendix 6A.

1.3. Note the indicative programmes for 2023/24 and 2024/25 as shown in Appendix 6 and acknowledge that these will be subject to further review as part of the development of future years capital programmes.

1.4 Delegate authority to the Director of Finance to determine the most appropriate method of financing the capital programme.

### **General Fund Revenue Budget 2022/23 (and Draft Financial Strategy 2022/25)**

- 1.1 Acknowledging the impact of the increase in the National Living Wage as set out in the report, give delegated authority to the Strategic Director for Adults and Health, in consultation with the Executive Members for Adult Services and Prevention, and Finance and Governance, to agree the hourly rates and contract changes for Social Care Providers for 2022/23;
- b) approve the service investment proposals as set out in the report;
  - c) approve the savings proposals as set out at Appendix B;
  - d) note the estimated balance of reserves as at 31st March 2022 as shown at Appendix C;
  - e) approve the General Fund Budget Requirement for 2022/23 as set out at Appendix D to this report;
  - f) require each Portfolio to operate within the individual Portfolio Controllable Budgets for 2022/23 as set out at Appendix D and that these be cash limited and subject to regular monitoring and control;
  - g) agree that the current Local Council Tax Support Scheme remains unchanged for 2022/23 and note the intention to undertake a review of the Scheme in the forthcoming year;
  - h) approve an increase in the general Council Tax of 1.99% (reflecting a weekly increase of £1.25 for Band D Council Tax payers and of £0.83p for Band A Council Tax payers);
  - i) approve an additional increase in Council Tax of 2.00% to contribute towards the additional costs of Adult Social Care;
  - j) give approval to the Financial Strategy and Medium Term Financial Plan for 2022/25 as set out Appendix F and note that a further report on the implementation of the Strategy will be submitted to the Executive Board in June 2022.

## **60 Council Tax 2022/23**

A report was submitted on the Council's requirement to set amounts of Council Tax before 11<sup>th</sup> March in the financial year preceding that for which it was set.

In setting its Council Tax requirement, the Council took into account any funding from reserves, income it expected to raise and general funding it would receive from Government as part of the Local Government Finance Settlement.

The Council was also required to set a basic amount of Council Tax for the financial year 2022/23. The Council Tax was set on the basis of:

- a) The precept on the Collection Fund issued by the Police and Crime Commissioner for Lancashire.
- b) The precept on the Collection Fund issued by the Lancashire Combined Fire Authority.
- c) The Borough Council's precept on the Collection Fund, which is dependent on two factors:
  - (i) Its Council Tax requirement, and (ii) The precepts issued by the seven Parish / Town Councils.

The Council was recommended to approve the draft resolution setting the Council Tax for 2022/23, as set out in Appendix 1 of the report submitted and in also in the Appendix to these Minutes. Following discussion, Finance Council moved to a recorded vote, with Councillors voting as follows:

**FOR**

*Councillors Akhtar H, Akhtar P, Bateson, Casey, Desai M, Desai S, Fazal, Fielding, Floyd, Gunn, Humphrys, Hussain M, Jan-Virmani, Khan M, Khan Z, Khonat, Liddle, Mahmood, McFall, McGurk, Oates, Patel A, Rawat,, Riley, Sidat, Shorrock, Smith D, Smith J, Talbot, Taylor and Whittle.*

**AGAINST**

*Councillors Baldwin, Browne, Hardman, Gee, Marrow, Patel Alt, Rigby, Russell, Salton, Slater Jacq, Slater Jo, Slater Ju, and Slater N.*

**ABSTAIN**

*None.*

Signed at a meeting of the Council Forum

on Thursday 24<sup>th</sup> March 2022

(being the ensuing meeting on the Council) by

MAYOR

### Blackburn with Darwen Borough Council

#### Draft Council Tax Resolution 2022/23 – Finance Council 28<sup>th</sup> February 2022

##### **The Council is recommended to resolve as follows:**

1. That it be noted that on 12th January 2022, the Council calculated the Council Tax Base for the year 2022/23 in accordance with regulations made under Section 31B(3) of the Local Government Finance Act 1992, as amended (the Act):
  - a) 35,439.30 being the Council Tax Base for the whole of the Council area (Item T in the formula in Section 31B of the Act); and
  - b) for dwellings in those parts of its area to which a Parish precept relates, as detailed in Appendix 2.
2. That the following amounts be calculated for the year 2022/23 in accordance with Sections 31 to 36 of the Act:
  - a) £402,794,112 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act taking into account all precepts issued to it by Parish Councils.
  - b) £342,458,926 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act.
  - c) £60,335,186 being the amount by which the aggregate at 2 (a) above exceeds the aggregate at 2 (b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
  - d) £1,702.49 being the amount at 2 (c) above (Item R) divided by the amount at 1(a) above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
  - e) £164,384.02 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (see Appendix 2).
  - f) £1,697.85 Being the amount at 2 (d) above less the result given by dividing the amount at 2 (e) above by Item T (1 (a) above), calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

3. That it be noted that for the year 2022/23 the Police and Crime Commissioner (PCC) for Lancashire has issued a precept to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, as indicated in the tables below.
4. That it be noted that for the year 2022/23 the Lancashire Combined Fire Authority has issued a precept to the Council in accordance with Section 40 of the Local Government Finance Act 1992, as indicated in the tables below, however at the time of writing this report, the precept had yet to be presented to the Lancashire Fire Authority meeting (held on Monday 21<sup>st</sup> February 2022).
5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for the year 2022/23 for each part of its area and for each of the categories of dwellings.

a) Blackburn with Darwen Borough Council

<u>Part of the Council's Area</u>	<u>Valuation Bands</u>							
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>
Eccleshill Parish	£1,149.24	£1,340.78	£1,532.32	£1,723.86	£2,106.94	£2,490.02	£2,873.10	£3,447.72
Livesey Parish	£1,137.41	£1,326.97	£1,516.54	£1,706.11	£2,085.25	£2,464.38	£2,843.52	£3,412.22
North Turton Parish	£1,144.00	£1,334.67	£1,525.33	£1,716.00	£2,097.33	£2,478.67	£2,860.00	£3,432.00
Pleasington Parish	£1,135.65	£1,324.92	£1,514.20	£1,703.47	£2,082.02	£2,460.57	£2,839.12	£3,406.94
Tockholes Parish	£1,159.34	£1,352.56	£1,545.79	£1,739.01	£2,125.46	£2,511.90	£2,898.35	£3,478.02
Yate and Pickup Bank Parish	£1,146.65	£1,337.76	£1,528.87	£1,719.98	£2,102.20	£2,484.42	£2,866.63	£3,439.96
Darwen Town Council	£1,140.55	£1,330.64	£1,520.73	£1,710.82	£2,091.00	£2,471.18	£2,851.37	£3,421.64
All other parts of the Council's area	£1,131.90	£1,320.55	£1,509.20	£1,697.85	£2,075.15	£2,452.45	£2,829.75	£3,395.70

b) Major Precepting Authorities

<u>Precepting Authority</u>	<u>Valuation Bands</u>							
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>
Lancashire Police Authority	£157.63	£183.91	£210.18	£236.45	£288.99	£341.54	£394.08	£472.90
Lancashire Combined Fire Authority	£51.51	£60.10	£68.68	£77.27	£94.44	£111.61	£128.78	£154.54

c) Aggregate Council Tax

<u>Part of the Council's Area</u>	<u>Valuation Bands</u>							
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>
Eccleshill Parish	£1,358.38	£1,584.79	£1,811.18	£2,037.58	£2,490.37	£2,943.17	£3,395.96	£4,075.16
Livesey Parish	£1,346.55	£1,570.98	£1,795.40	£2,019.83	£2,468.68	£2,917.53	£3,366.38	£4,039.66
North Turton Parish	£1,353.14	£1,578.68	£1,804.19	£2,029.72	£2,480.76	£2,931.82	£3,382.86	£4,059.44
Pleasington Parish	£1,344.79	£1,568.93	£1,793.06	£2,017.19	£2,465.45	£2,913.72	£3,361.98	£4,034.38
Tockholes Parish	£1,368.48	£1,596.57	£1,824.65	£2,052.73	£2,508.89	£2,965.05	£3,421.21	£4,105.46
Yate and Pickup Bank Parish	£1,355.79	£1,581.77	£1,807.73	£2,033.70	£2,485.63	£2,937.57	£3,389.49	£4,067.40
Darwen Town Council	£1,349.69	£1,574.65	£1,799.59	£2,024.54	£2,474.43	£2,924.33	£3,374.23	£4,049.08
All other parts of the Council's area	£1,341.04	£1,564.56	£1,788.06	£2,011.57	£2,458.58	£2,905.60	£3,352.61	£4,023.14

## Appendix 2

### Town and Parish Council Precepts

<u>Parish / Town Council</u>	<u>2021/22</u>				<u>2022/23</u>				<u>Council Tax Increase / (Reduction) Council Tax Band D 2022/23 less 2021/22</u> £
	<u>Tax Base</u>	<u>Precepts</u> £	<u>Grant</u> £	<u>Council Tax Band D</u> £	<u>Tax Base</u>	<u>Precepts</u> £	<u>Grant</u> £	<u>Council Tax Band D</u> £	
Eccleshill Parish	93.38	2,429.00	413.50	26.01	94.66	2,462.11	413.50	26.01	0.00
Livesey Parish	2,086.29	17,233.00	1,371.00	8.26	2,235.21	18,463.00	1,371.00	8.26	0.00
North Turton Parish	1,756.24	32,159.00	1,241.00	18.31	1,771.66	32,159.00	1,241.00	18.15	(0.16)
Pleasington Parish	256.55	1,450.00	0.00	5.65	257.93	1,450.00	0.00	5.62	(0.03)
Tockholes Parish	204.40	8,159.63	146.00	39.92	208.33	8,574.91	146.00	41.16	1.24
Yate and Pickup Bank Parish	141.60	3,133.00	260.00	22.13	143.68	3,180.00	260.00	22.13	0.00
Darwen Town Council	7,281.78	98,095.00	23,905.00	13.47	7,560.39	98,095.00	23,905.00	12.97	(0.50)
<b>TOTAL / AVERAGE</b>	<b>11,820.24</b>	<b>162,658.63</b>	<b>27,336.50</b>	<b>4.66</b>	<b>12,271.86</b>	<b>164,384.02</b>	<b>27,336.50</b>	<b>4.64</b>	<b>(0.02)</b>