

Meeting of: The Cabinet

Date 13th October 2021 Time: 6.30pm

*Venue: Council Chamber, The Business Centre, Futures Park, Bacup, OL13 0BB



***This meeting will be accessible in the Council Chamber for essential attendees (elected councillors, supporting officers and members of the public with a registered question). All other access will be by remote observation as detailed below.**

To observe the meeting, please use the Zoom link below (please allow time for set up if accessing for the first time):

<https://zoom.us/j/97110557785?pwd=N212bTJRSWEwSnByK3l0UG5EL0c4dz09>

Meeting ID: 971 1055 7785

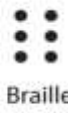
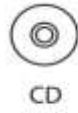
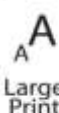
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A waiting room will be in place and observers will be admitted to the meeting at approx. 6.30pm.

ITEM		Lead Member/Contact Officer
A.	BUSINESS MATTERS	
A1.	Apologies for Absence	
A2.	Minutes of the last meeting To approve and sign as a correct record the Minutes of the meeting held on 16 th June 2021.	
A3.	Urgent Items of Business To note any items which the Chair has agreed to add to the Agenda on the grounds of urgency.	Clare Birtwistle, Monitoring Officer 01706 252438 clarebirtwistle@rossendalebc.gov.uk
A4.	Declarations of Interest <i>Members are advised to contact the Monitoring Officer in advance of the meeting to seek advice on interest issues if necessary.</i> Members are requested to indicate at this stage, any items on the agenda in which they intend to declare an interest. Members are reminded that, in accordance with the Local Government Act 2000 and the Council's Code of Conduct, they must declare the nature of any personal interest and, if the interest is prejudicial, withdraw from the meeting during consideration of the item.	
B.	COMMUNITY ENGAGEMENT	
B1.	Public Question Time Members of the public can register their question by contacting the Committee Officer. Groups with similar questions are advised to appoint and register a spokesperson.	Glenda Ashton, Committee and Member Services Officer

The agenda and reports are also available for inspection on the Council's website <https://www.rossendale.gov.uk/>. Other formats are available on request. Tel 01706 217777 or contact Rossendale Borough Council, Futures Park, Bacup, OL13 0BB

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ITEM	Lead Member/Contact Officer	
	<p>This is an opportunity to ask a question about an agenda matter which the Council may be able to assist with. A time limit applies for each question and you are only able to address the meeting once.</p> <p>To register for public question time your question must be received no later than 9.00am two working days prior to the day of the meeting by emailing democracy@rossendalebc.gov.uk Please give your full name, telephone number and include a copy of your question.</p> <p>At the meeting you will be invited to speak at the appropriate time, please begin by giving your name and state whether you are speaking as an individual member of the public, or as a representative of a group. (Question time normally lasts up to 30 minutes).</p>	<p>01706 252423 glendaashton@rossendalebc.gov.uk</p> <p>Please register an agenda related public question by emailing democracy@rossendalebc.gov.uk no later than 9.00am Friday 8th October 2021</p>
C.	KEY DECISIONS	
C1.	Prosecution Policy	Councillor Hughes/Adam Allen Director of Communities 01706 252428 adamallen@rossendalebc.gov.uk
C2.	Economic Development Strategy Update	Councillor A Barnes/Neil Shaw Chief Executive, 01706 252447 neilshaw@rossendalebc.gov.uk
C3.	Rossendale Works Update	Councillor A Barnes/Guy Darragh Head of Regeneration, 01706 252568 guydarragh@rossendalebc.gov.uk
C4.	Environmental Crime Enforcement	Councillor Hughes/Adam Allen Director of Communities 01706 252428 adamallen@rossendalebc.gov.uk
C5.	Station Road Covenant Release	Councillor Walmsley/Guy Darragh Head of Regeneration, 01706 252568 guydarragh@rossendalebc.gov.uk
C6.	RIPA Policy	Councillor Serridge/Clare Birtwistle Head of Legal Services/Monitoring Officer, 01706 252527 clarebirtwistle@rossendalebc.gov.uk
C7.	Bacup Heritage Action Zone Funding Uplift Application	Councillor Ashworth/Guy Darragh Head of Regeneration, 01706 252568 guydarragh@rossendalebc.gov.uk
D.	PERFORMANCE MATTERS	
D1.	Financial Monitoring Report Q1 2021/22	Councillor Walmsley/Karen Spencer Head of Finance/S151 Officer 01706 252409 karens pencer@rossendalebc.gov.uk

A handwritten signature in black ink, appearing to read 'Neil Shaw', written in a cursive style.

Neil Shaw
Chief Executive

Date Published: 5th October 2021

MINUTES OF: THE CABINET

Date of Meeting: Wednesday 16th June 2021

**Present: Councillor A Barnes (Chair)
Councillors Ashworth, Hughes Serridge (observed via Zoom) and
Walmsley**

**In Attendance: Mr N Shaw, Chief Executive
Mrs C Burns, Director of Economic Development
Mr A Allen, Director of Communities
Ms C Birtwistle, Head of Legal (Monitoring Officer)
Ms K Spencer, Head of Finance (S151 Officer)
Mr G Darragh, Head of Regeneration
Miss G Ashton, Committee and Member Services Officer**

Also Present: Councillor Neal

**Observed via Zoom: Councillors Oakes and Haworth
Mr C Finn, Finance Manager
2 members of public**

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Lythgoe.

2. MINUTES OF THE LAST MEETING

Resolved:

That the minutes of the meeting held on 10th February 2021 were agreed as a correct record.

3. URGENT ITEMS OF BUSINESS

There were no urgent items.

4. DECLARATIONS OF INTEREST

In relation to item 7 of the minutes, Councillor Walmsley advised that he had a property in the Bacup High Street Heritage Action Zone but no disclosable pecuniary interest in relation to the Cultural Consortium.

5. PUBLIC QUESTION TIME

No written questions had been submitted. Councillor Neal raised a question which was answered by Councillor Barnes.

6. HOLIDAY ACTIVITY AND FOOD PROGRAMME

The Portfolio Holder for Health & Leisure outlined the report which asked members to agree that the 2021/22 Holiday Activity and Food Programme be delivered by Rossendale Leisure Trust and a Memorandum of Understanding between Rossendale Council and Lancashire County Council be signed to facilitate this.

Cabinet members were invited to comment on the report:

- The Council welcomed the initiative and gave thanks to Rossendale Leisure Trust for taking this work forward.

- The Council would continue working with food groups and clubs and gave thanks to them, for all their efforts particularly during the pandemic.
- The Leader to write to LCC and Government to make a case for extending the role of District Co-ordinator.
- Cllr Neal was acknowledged for raising the issue of holiday hunger initially with Council.

Resolved:

1. Cabinet agreed that the 2021/22 Holiday Activity and Food Programme be delivered by Rossendale Leisure Trust and a Memorandum of Understanding between Rossendale Council and Lancashire County Council be signed to facilitate this.
2. That a letter be written to make a case for extending the role of the District Co-ordinator.

Reason for Decision:

The delivery of the HAF programme will contribute to improved health and wellbeing outcomes for many young people in Rossendale. The Trust are well placed to deliver a successful programme given their experience. The Council do not have the necessary staff capacity or experience to deliver such a programme. It is recommended that Rossendale Leisure Trust deliver the programme on the Council's behalf and the Memorandum of Understanding signed to facilitate this.

Alternative Options Considered:

None.

7. BACUP HIGH STREET HERITAGE ACTION ZONE – CULTURAL CONSORTIUM GRANT

The Portfolio Holder for Health & Leisure outlined the report, which asked members to note the successful award of £90,000 to the Bacup Cultural Consortium. To authorise the Monitoring Officer to sign the Grant Funding agreement and accept the £40,000 grant uplift for the Bacup HS HAZ.

Cabinet members were invited to comment on the report:

- It was good news for Bacup and congratulations to all involved.
- It was clarified that the Council was the accountable body for the grant.

Resolved:

Cabinet members:

1. Noted the successful award of £90,000 to the Bacup Cultural Consortium.
2. Authorised the Monitoring Officer to sign the Grant Funding Agreement with Historic England and enter into a legal agreement with members of the Cultural Consortium CP2 payment certificate and for the Council to act as the Accountable Body for the grant between Historic England and The Horse & Bamboo Theatre (Chair of Bacup Cultural Consortium).
3. Authorised the Monitoring Officer to accept the £40,000 grant uplift for the Bacup HS HAZ for public realm professional fees to RIBA stage 3 and all statutory notices, all planning permissions are ready for delivery in year 3 subject to a further uplift and enter into a grant agreement with Historic England.

Reason for Decision:

To sign and submit all of the required documents for Historic England to begin the grant draw down process and Cultural Programme delivery. To accept the grant uplift of £40,000 for public realm professional fees.

Alternative Options Considered:

None.

8. FINANCIAL MONITORING REPORT Q4 2020/21 (INCLUDING COVID GRANT FUND REPORT)

The Portfolio Holder for Resources outlined the report which asked members to note the contents of the draft out-turn report and approve the proposed movements to and from reserves as set out in Appendix 1.

Cabinet members were invited to comment on the report:

- The Council stepped up whether it be for flooding or a pandemic and it was hoped this would be recognised.

Resolved:

Cabinet members:

1. Noted the contents of the draft out-turn report.
2. Approved the proposed movements to and from reserves as set out in Appendix 1.

Reason for Decision:

Robust monitoring of the General Fund and MTFs is essential to control risks expressed in section 4 of the report and the council continues to undertake this.

The 2020/21 budget originally estimated that reserves would be required to fund the gap between what the council spends and the income it receives to fund services. The Covid adjusted outturn position means the council will be able to reduce the contribution required from reserves. The council’s overall financial position has improved due to the adjusted outturn position. However, the impact of Covid is still not completely known and remains a risk.

Despite a continued cost reduction programme, the on-going challenge remains for the council to continue its savings agenda in order to help realise its medium term saving and targets. Members, collectively, continue to face difficult choices in order to balance expenditure with available resources over the medium term. The council must remain focused on delivering further efficiencies.

It is uncertain how much Government funding the council will receive from April 2022 onwards. Until the Government publish the results of the Fair Funding Review and the proposed new business rates scheme, also the long term impact of Covid is unknown there is a significant risk to the MTFs.

Alternative Options Considered:

None.

- Note from the Leader that vaccines were available in Rossendale and urged members to publicise the vaccine roll out within the borough.

The meeting concluded at 7.00pm

_____ CHAIR _____ DATE

Subject:	Sanction and Prosecution Policy	Status:	For Publication
Report to:	Cabinet	Date:	13 th October, 2021
Report of:	Head of Customer Services and IT	Portfolio Holder:	Communities
Key Decision:	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	Yes	Attached: Yes
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Carol Walker	Telephone:	01706 252582
Email:	carolwalker@rossendalebc.gov.uk		

1.	RECOMMENDATIONS
1.1	For Cabinet to approve the Council Tax and Council Tax Support Penalty and Prosecution Policy.
1.2	All future minor amendments to the policy to be delegated to the Head of Customer Services and ICT in consultation with the Portfolio Holder.

2. PURPOSE OF REPORT

- 2.1 To seek approval for the introduction of the Council Tax and Council Tax Support Penalty & Prosecution Policy.

3. BACKGROUND

- 3.1 The Council is committed to the prevention, detection and deterrence of fraud and has a responsibility to ensure that Housing Benefit and Council Tax Support are paid correctly and that Council Tax and National Non-Domestic Rates [Business Rates] are billed correctly and that discounts and exemptions are not claimed incorrectly. This is achieved through the implementation of the Sanction and Prosecution Policy.

The Sanction and Prosecution Policy was adopted by Cabinet on 9th March 2016 and is reviewed by Cabinet annually. Since 2016 there have been no changes in national legislation, however there have been significant grant awards made due to Covid which need to be reflected in the policy. The updated policy represents a refresh of existing arrangements with the main additions relating to Covid matters. This is now included at point 9 in the policy.

- 3.2 In 2020/21 the Council was responsible for paying out £13.7 million in Housing benefit and £5.1 million in Council Tax support.
- 3.3 It should be noted that currently there is no legislation which allows the Council to impose sanctions or penalties to be imposed on Businesses.
- 3.4 In respect of Covid however, the government has issued guidelines for Covid related business support grants. These have been incorporated into the revised Sanction and Prosecution policy.
- 3.5 Where recoverable overpayments are created as a result of action undertaken under this policy, customers will be signposted to Citizens Advice or similar debt advice agencies in line with relevant debt recovery protocols.

4. RISK

4.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

- Failure to approve this policy could result in a continual increase in incorrectly billed properties, falsely claimed discounts and exemptions, and Council Tax Support fraud cases.
- Failure to approve this policy would also leave the Council with no deterrent for false claims.

5. FINANCE

5.1 Financial implications are noted in the report above. Implementation of the policy will be a positive contribution to the Council's Medium Term Financial Strategy.

6. LEGAL

6.1 The Council is required to publish a clear policy as part of its strategy for tackling fraud and corruption. It is needed to vigorously pursue fraudsters and deter others. This policy provides consistency with the policy of the DWP in deciding what action to take following investigation. It has been reviewed and refreshed to include updated actions resulting from the Covid 19 pandemic All other implications are set out in the body of this report. The policy will need to be reviewed in light of any legislative changes and be kept up to date as set out in the policy.

7. POLICY AND EQUALITIES IMPLICATIONS

7.1 The revision of this policy has not resulted in any fundamental changes to the existing policy and as such there are limited implications. Consultation has taken place with the portfolio holder for Communities, the Head of Customer Services and ICT, the Service Assurance Team Manager and also the Head of Legal. An equality impact assessment has been considered as part of the original policy development process and it is considered that no further actions are required due to the limited changes to the policy.

8. CONCLUSION

8.1 To prevent fraud, it is necessary for the Council to have a policy in place to address residents providing incorrect information or claiming benefits which they are not entitled to. There has been no change in national legislation since the original policy was put in place in 2016, however the Council has issued a significant amount of grants relating to Covid. To reflect the increased possibility of fraud in relation to Covid grants, the policy has been updated at point 9.

No background papers.

**Sanction
and
Prosecution Policy.**

Other formats are available.
Please call 01706 217777 or
visit our One Stop Shop at
Futures Park, Bacup.

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SANCTION AND PROSECUTION POLICY

1. INTRODUCTION

The Council is committed to the prevention, detection and deterrence of fraud and has a responsibility to ensure that Housing Benefit and Council Tax Support are paid correctly and that Council Tax and National Non-Domestic Rates [Business Rates] are billed correctly and that discounts and exemptions are not claimed incorrectly.

This policy sets out the Council's approach to prosecution and other sanctions in cases of fraud or misinformation in respect of Council Tax Support, Council Tax and Housing Benefit. There are no powers within National Non-Domestic Rates [NNDR] legislation to apply sanctions or financial penalties.

2. BACKGROUND

Rossendale are committed to supporting residents who are struggling, customers are signposted to Citizens Advice or similar debt advice agencies in line with relevant debt recovery protocols that have been established.

This policy is governed by legislation and DWP guidance including [but not limited to] The Local Government Finance Act 1992, Welfare Reform Act 2012, Police and Criminal Evidence Act 1984, Social Security Administration Act 1992, the Fraud Act 2006, The Data Protection Act 2018 and The Council Tax Reduction Scheme (Detection of Fraud and Enforcement) (England) Regulations 2013.

This policy has been agreed by the Council's Cabinet and will be reviewed on an annual basis as required, in response to changes in legislation or Department of Communities and Local Government Guidance. However, minor amendments will be agreed with the portfolio holder as necessary.

3. PURPOSE

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The purpose of the Sanction and Prosecution Policy is to set out the action which the Council may take in cases of fraud or misinformation which result in incorrect payment of Housing Benefit, Council Tax Support, the incorrect billing of Council Tax and National Non-Domestic Rates.

It gives the guidelines that will be followed in certain circumstances and clarifies which areas are the responsibilities of the DWP.

Furthermore, in light of the temporary measures the Government introduced via the Department for Business Energy and Strategy [BEIS] to react to the Covid 19 world pandemic, additional measures have been included in this policy to deal with fraud attempts, or fraud committed against the Council, in relation to the National Non Domestic Rates and the various Covid-19 grants paid to assist small businesses during the pandemic.

In deciding on the most appropriate course of action the Council will have regard to the principles set out in this policy and the need to investigate cases lawfully in a way which is -

1. Proportionate – activities will reflect the level of risk to the public and any action taken will relate to the seriousness of the offence.
2. Consistent – The Council will exercise their professional judgement and discretion according to the circumstances of each individual case.
3. Targeted – The Council will be flexible focusing on higher risk cases, whilst reflecting local need, national priorities and where the Council believes its efforts are able to have an impact.

4. AREAS OF RESPONSIBILITY

From 1st May 2015 responsibility for investigation and the application of sanctions lies as follows:

1. Housing Benefit (where overpayment over £3,000 or evidence of fraud) and Council Tax Benefit:
 - a. Investigation is the responsibility of the DWP’s Single Fraud Investigation Service.
 - b. Cautions no longer apply to these cases
 - c. The Council has retained the delegated power to offer an administrative penalty following a recommendation from the DWP
 - d. Prosecution of cases is the responsibility of the DWP
2. Housing Benefit (where overpayment under £3,000 and no evidence of fraud):
 - a. The Council will make enquiries in respect of cases of misinformation or error made by the customer where the value of any overpayment is less than £3,000.
 - b. A civil penalty of £50.00 may be applied.
 - c. Cases where there is evidence of fraud will be referred to the DWP.

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3. Council Tax Support: The Council has retained the responsibility to investigate and sanction or prosecute Council Tax Support cases.
In cases where Housing Benefit and/or DWP benefits are also in payment, the Council can choose to offer joint working to the DWP. The DWP's criminal investigator will work with the Council's Fraud and Compliance Officer throughout the investigation. Any approved penalties will be offered by the DWP and prosecutions progressed through the Crown Prosecution Service [CPS], thus saving the Council court costs.
4. Council Tax: The Council has the responsibility for investigating exemptions and discounts.
5. National Non-Domestic Rates: The Council is responsible for investigating exemptions. Incorrect exemptions will be removed and liability amended. Currently there are no sanctions available in respect of any attempts or fraud uncovered. However, in serious cases, the Council could consider whether to prosecute an offender.

5. GENERAL PRINCIPLES IN RELATION TO COUNCIL TAX, COUNCIL TAX SUPPORT & NATIONAL NON-DOMESTIC RATES

In deciding what action to take the Council will consider the following:

1. Each case will be considered on its own merits;
2. There must be sufficient, reliable evidence to justify the action taken;
3. The action taken must be in the public interest;
4. Any mitigating circumstances;
5. The decision to prosecute an individual is a serious step and has serious implications for all involved. Decisions to prosecute should always be fair and consistent;
6. In exceptional circumstances, an alternative to prosecution (caution or financial penalty) may be considered without regard to the amount of the 'overpaid' Council Tax Support.

6. SANCTIONS AVAILABLE

The three courses of action are available where a criminal investigation has been undertaken. These are a local authority caution, financial penalty or a prosecution.

In cases of error or misinformation, a civil penalty may be imposed.

Local Authority Caution

A caution is a verbal warning, which can be given in less serious circumstances. It is offered as an alternative to prosecution, to a person who has admitted to committing an offence. The person must agree to being cautioned. It is intended to be a meaningful

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penalty. If a person declines the offer of a caution, the case will be recommended for prosecution.

A caution will be considered where the evidence indicates that:

- a. There was no planning involved, or
- b. There was no other person involved in the fraud, and
- c. The person's circumstances and demeanour towards the offence indicates that a caution would be the most appropriate action.

In these circumstances the Council will issue the Local Authority Caution. We will also require full repayment of the 'overpaid' Council Tax Support.

Financial Penalty

The Financial Penalty is offered as an alternative to prosecution, usually in circumstances not deemed serious enough to warrant prosecution. However, there must be sufficient evidence to justify prosecution. If a person refuses a Financial Penalty the case will be recommended for prosecution.

A Financial Penalty will be considered where the evidence indicates that:

- a. The person has previously been cautioned within the last 5 years for a similar offence but the offence was minor and the current offence is minor; or
- b. There was no planning involved, or
- c. There was no other person involved, and
- d. The person's circumstances and demeanour towards the offence indicates that a financial penalty would be the most appropriate action.

In most circumstances the Council will make an offer of a Financial Penalty in addition to requiring full repayment of the 'overpaid' Council Tax Support. There is no minimum or maximum 'overpayment'. The penalty will be a minimum of £100, or 50% of the recoverable amount of overpaid Council Tax Support up to a maximum of £1,000.

A Fixed penalty of £70 can be imposed in less serious cases in accordance with Regulation 13 of the Council Tax Reduction Scheme (Detection of Fraud and Enforcement) (England) Regulations 2013. Please refer to section on Civil Penalties below. [This is not in addition to the financial penalty].

Prosecution

A prosecution will be considered in serious cases. Proceedings will only be instigated after the evidential and public interest tests [as detailed in the Code for Crown Prosecutors] are satisfied.

Prosecution will be considered where:

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- a. The fraud has been deliberate and calculated, or
- b. The fraud had continued over a long period; or
- c. The person has failed to attend an interview under caution; or
- d. There were other persons involved in the fraud, or
- e. The person has declined the offer of a Financial Penalty or withdrawn agreement to pay and Financial Penalty; or
- f. The person has declined the offer of an official caution.

The Council will ensure that decisions to prosecute are made in a fair and consistent manner. In exceptional circumstances an alternative to prosecution may be considered. Other factors will be taken into consideration before prosecution is recommended.

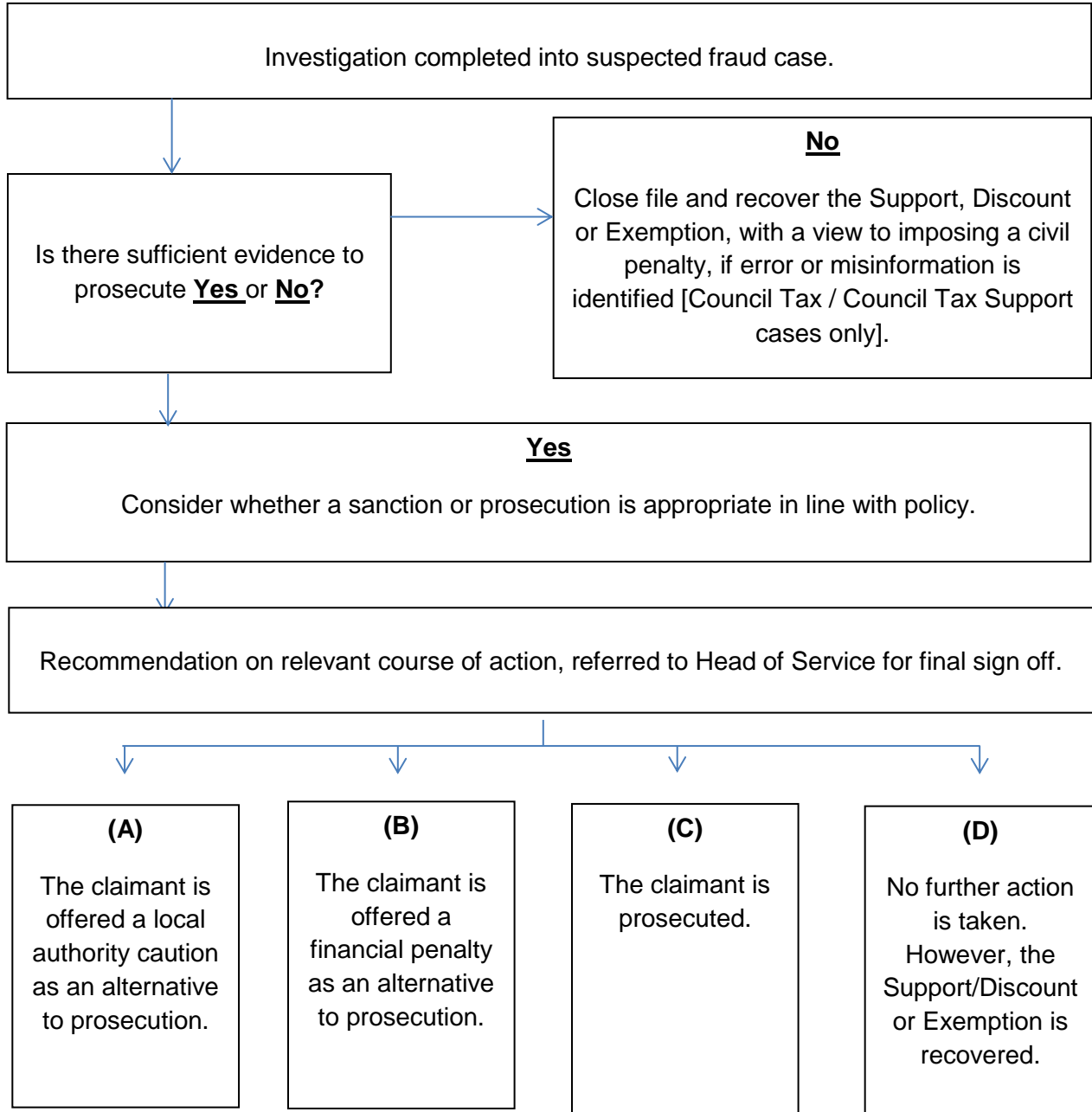
1. **Duration of the Offence:** An offence committed over a long period of time should be a factor towards prosecution. There may have been an opportunity to declare the correct information when the claim was renewed.
2. **Previous Offences:** The Council will make enquiries about any previous offences of a similar nature committed. Where there has already been a caution for deception, a second caution issued by the Council may not be appropriate.
3. **Collusion:** The case may have arisen through collusion, for example with landlords, managing agents or employers. This type of case is considered to amount to serious fraud and will be recommended for prosecution where possible irrespective of the amount of 'overpaid' Council Tax Support involved.
4. **Offenders Physical and Mental Condition:** It would be inadvisable to prosecute in the following cases: -
 - a. Where the offender is seriously ill
 - b. Where the offender is mentally ill
 - c. Where the offender is a heavily pregnant (within 3 months of due date)
 - d. Where the offender is over 75 years of age or bedridden
 - e. Where the offender is hearing or visually impaired
 - f. Where the health of the offender's partner may suffer.
5. **Social Factors:** Consideration must be given to social factors when deciding whether or not to recommend prosecution. Instances in which prosecution may be considered inappropriate include cases where: -
 - a. The Court would set against the offence such personal or mitigating factors that would make prosecution inappropriate e.g. the person was driven to the offence by a tragedy or domestic situation such as bereavement or sickness.
 - b. The offender has already served a prison sentence for benefit fraud and an earlier offence has subsequently been discovered (it is the Court's view that people come out of prison with a 'clean sheet')

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- c. The claimant is young (under 21), immature and would appear to the Court as someone who could have been dealt with effectively without proceeding. Youth does not automatically exclude the possibility of prosecution. That said, prosecution may be desirable where the offender already has a criminal record.
 - d. It is known that a prosecution would have a damaging effect upon the defendant's employability i.e. the offender would not only lose their job but would not be able to get similar employment if prosecuted successfully by the Local Authority.
6. Voluntary Disclosure: Voluntary disclosure is where a claimant of his or her own free will reveals a fraud. In this case prosecution would not be appropriate. However, a disclosure is not voluntary if: -
- a. The admission is not a complete disclosure of the fraud; or
 - b. It was apparently prompted by the expectation that the fraud would be discovered e.g. they knew the Council was making enquiries of their employer etc; or
 - c. The claimant admits all the facts as soon as they are challenged; or
 - d. The claimant discloses the fraud as a result of being required to complete a review form.
7. Procedural Difficulties/Delays/Failures in the Investigation/Administrative Process: Closure of the case, without prosecution will be the only course of action where: -
- a. The investigation has been deficient and has failed to obtain all the evidence available; or
 - b. Internal checks which should have revealed the offence did not do so e.g. benefit paid on incomplete or inadequate information, failure to observe flaws in a statement or document.

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Investigation Process Map



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7. Civil Penalties

The civil penalty is a financial penalty that can be imposed where a person has negligently supplied incorrect information or failed to supply information that affects their Housing Benefit and/or Council Tax Support entitlement, or the Council Tax billed. [The Council made the decision to impose civil penalties from the 1st April, 2016].

Table of Civil Penalties			
Service area	Amount of penalty	Criteria	Appeal method
Housing Benefit	£50	<ol style="list-style-type: none"> 1. Negligently or carelessly giving incorrect information, or 2. Failing to provide without reasonable excuse*, information in respect of a claim or payment of benefit, or 3. Failing to notify, without reasonable excuse*, a relevant change in circumstances. <p><i>By causing any of the above, a civil penalty will automatically be applied, if either/or occurs –</i></p> <ol style="list-style-type: none"> A. An overpayment in excess of £1,000 is raised, or B. The period of the overpayment is 16 weeks or more. 	Rossendale Borough Council
Council Tax Support	£70	As the Council no longer issues notification letters automatically on CTS only claims, a civil penalty will only be applied at the request of the Fraud & Compliance Officer, following an investigation.	Rossendale Borough Council
Council Tax	£70	<ol style="list-style-type: none"> 1. Failing to supply information following a request from the Council, or 2. Suppling information about a liable person that is materially inaccurate, or 3. Failing, without reasonable excuse*, to notify the Council that a dwelling is no longer exempt, or 4. Failing, without reasonable excuse*, to notify the Council that a level of discount no longer applies. <p><i>By causing any of the above, a civil penalty will automatically be applied.</i></p>	Valuation Tribunal
Council Tax	£280	<ol style="list-style-type: none"> 1. Where a penalty has been imposed and a further request to supply the same information is made but is not properly complied with. Following this, each time we repeat the request and the person concerned does not properly comply with it... There is no limit to the number of times this penalty can be imposed. <p><i>By causing the above, a civil penalty will automatically be applied.</i></p>	Valuation Tribunal

* Criteria for reasonable excuse includes [but is not limited to] those with cancer, long term debilitating illness or a terminal illness, those who have had a close family member pass away recently, those who are SMI, have learning difficulties or have someone with power of attorney

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who is managing their financial affairs, someone who has recently been a victim of domestic violence or other malicious crime. Each case will be considered on its own merits.

Appeal process

If a customer is not satisfied with the decision to impose a civil penalty in relation to Housing Benefit, they can write to the Council within one calendar month to appeal the decision, stating their reasons why. The case is reviewed internally [reconsideration] and the decision is notified in writing. If the customer is still not happy with this decision, they can write requesting a tribunal. A tribunal's decision is final.

If a customer disagrees with the decision to impose a civil penalty in relation to Council Tax Support, they can appeal the decision in writing within one calendar month. The case is reviewed internally [reconsideration] and the decision is notified in writing. If the customer is still not happy with this decision, they can write to the Valuation Office [VO] requesting a hearing. The Valuation Office will arrange and oversee a hearing, notifying both parties and a panel of impartial representatives. On the day of the hearing both parties are invited to present their case. The VO representatives will make the decision. There is no further right of appeal.

If a tax payer disagrees with a Council Tax civil penalty decision, the process is similar to that of the Council Tax Support penalty, however there is a mediation stage in the middle. Once any appeal is received by the Valuation Office, they can act as a mediator before any hearing is arranged. If no mediation is required or it is unsuccessful, the case proceeds to a hearing, as per the above.

Civil Penalty Recovery

A Housing Benefit civil penalty is recovered via on-going deduction from their benefit entitlement [if they are still entitled] or an invoice is issued. Council Tax civil penalties will be added to the tax payers Council Tax account and recovered as part of the current year's debt.

8. RECOMMENDATIONS OF SANCTIONS

The recommendation to apply any sanction [with the exception of civil penalties] will be made in the first instance by the investigating officer after consultation with the Service Assurance Team Leader.

Recommendations for sanctions will be referred to the Head of Customer and ICT Services.

Recommendations for prosecutions will be referred to the Legal Department.

The Legal Department will administer the issuing of Local Authority Cautions and Financial Penalties.

9. COVID 19

The Covid-19 pandemic has meant that the way we work has temporarily changed. The government had to react swiftly to the needs of the country, with national lockdowns and local tiers being imposed periodically. Local businesses were forced to temporarily close or operate differently, therefore a number of financial measures were introduced to help them survive

Responsible Section/Team	IT & Customer Services	Version/Status	2
Responsible Author	Carol Walker	Date Agreed / Agreed At	
Date last Amended	29 th July, 2021	Due for Review	

financially, which Local Authorities had to quickly invite applications for and award funding to, including -

1. £10,000 Small Business Rates Grants applicable to local businesses who qualified for small business rate relief, with RV's of under £15,000.
2. £25,000 Retail, Hospitality and Leisure Grants with RV's between £15,001 and £51,000.
3. Discretionary Grants for local businesses who do not fit into any of the aforementioned categories.
4. Local Restrictions Support Grants [Open]
5. Local Restrictions Support Grants [Closed]
6. Additional Restrictions Grants.
7. Restart Grants

As with any opportunity or incentive where there is financial gain, there is a risk of fraudulent activity occurring. The Council has involvement with pre and post payment checks relating to attempts of and the investigation of actual fraud committed against the grants.

To date BEIS has given direction regarding the fraudulent grants, advising that fraud investigations need to be undertaken. BEIS have directed that all fraud uncovered whether attempts or actual must be reported to the National Anti-Fraud Network [NAFN], who in turn will refer the information to the police's National Intelligence Service [NATIS]. NATIS will in the main investigate the organised and cross boundary grant fraud, [both attempts and actual fraud]. Otherwise local authorities are being tasked with investigating the grant fraud, they may also refer cases to the local police for their consideration. BEIS have indicated that cases of actual fraud identified, should result in the prosecution of offenders.

There are no sanctions currently available under legislation, [such as civil or financial penalties] for offenders of grant fraud.

10 PUBLICITY

The Council intends to positively promote this policy, as well as the outcome of any prosecutions, which will deter others from fraudulent activity.

Responsible Section/Team	IT & Customer Services	Version/Status	2
Responsible Author	Carol Walker	Date Agreed / Agreed At	
Date last Amended	29 th July, 2021	Due for Review	

Subject:	Economic Development – Update Report September 2021	Status:	For Publication
Report to:	Cabinet	Date:	13 th October 2021
Report of:	Director of Economic Development	Portfolio Holder:	Leader of the Council & Portfolio Holder for Economic Development
Key Decision:	<input type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Guy Darragh	Telephone:	01706 252429
Email:	guydarragh@rossendalebc.gov.uk		

1.	RECOMMENDATION
1.1	That Cabinet notes the contents of this report.

2. PURPOSE OF REPORT

2.1 To update members on the delivery of the Economic Development Strategy for Rossendale.

3. BACKGROUND

3.1 The Economic Development Strategy for Rossendale 2018-2033 was adopted in November 2018. The strategy has the following five priority themes:

- To establish thriving Town Centres of Rawtenstall, Bacup and Haslingden, each providing its own unique offer and a destination for shoppers and visitors
- To establish the Invest in Rossendale brand, promoting and increasing inward investment in Rossendale by attracting growth sector businesses and bringing quality employment.
- Creating a strong and thriving business base, supporting new and existing businesses
- Developing our visitor economy, active leisure and cultural offer.
- Ensuring residents and communities reach their full economic potential; enhanced employment, skills and educational opportunities

The strategy contains a three year, performance based, action plan to deliver positive and focussed interventions to drive forward sustainable economic growth.

As we are three years into the strategy, given the major impact of Covid on the economy a linked recovery plan was approved to support business recovery.

Appendix A provides a strategic overview of headline achievements nearly three years on as well as quantifiable benefits. The next steps for each priority are being taken forward by the delivery of the new Corporate Plan.

Key messages from an independently approved evaluation from Ekosgen consultants was also completed in early 2021 and are shown in Appendix B.

3.2 The matters discussed in this report impact directly on the following corporate priorities:
• **A thriving local economy**

4. RISK

4.1 There are no specific risk issues for members to consider arising from this report.

5. FINANCE

5.1 There are no financial implications directly arising from this update report.

6. LEGAL

6.1 There are no legal implications arising from the body of this report.

7. POLICY AND EQUALITIES IMPLICATIONS

7.1 This report illustrates the planned delivery of the Economic Development Strategy, along with flexibility to respond to economic threats and opportunities from the national pandemic and Brexit. The positive execution of income generating regeneration projects has also had a significant impact on the Medium Term Financial Strategy.

8. CONCLUSION

8.1 For Members to note the significant progress on the delivery of the adopted Economic Development Strategy and Action Plan for Rossendale.

Background Papers	
Document	Place of Inspection
Economic Development Team Achievements Review and Impact Assessment for Rossendale Borough Council, January 2021	www.investinrossendale.com
Economic Development Strategy for Rossendale, 28 November 2018	www.rossendale.gov.uk

Appendix A

Economic Development Strategy for Rossendale – August 2021					
	Priority 1	Priority 2	Priority 3	Priority 4	Priority 5
Priorities	To establish thriving Town Centres of Rawtenstall, Bacup and Haslingden, each providing its own unique offer and a destination for shoppers and visitors	To establish the Invest in Rossendale brand, promoting and increasing inward investment in Rossendale attracting growth sector businesses and bringing quality employment.	Creating a strong and thriving business base, supporting new and existing businesses	Developing our visitor economy, Outdoor Rossendale, accommodation and cultural offer.	Ensuring residents and communities reach their full economic potential; enhanced employment, skills and educational opportunities
Headline Achievements	<ol style="list-style-type: none"> 1. Approved Bacup 2040 Vision with secured 4 year HS HAZ project and RIBA stage 2 design for Bacup Market Square with EOI for hotel provider. 2. Approved Haslingden Town Centre 2040 Vision and secured £2m NLHF 5 year project. 3. Spinning Point: Refurbished former Old Town Hall now occupied by Together Housing Group, Bus Station complete with tenancies imminent and developed designs for new town square. 4. Secured Rawtenstall Market Management partner for next 6-10 years. 5. New wayfinding and interpretation signage for 30, 60 and 90 minute walking routes from the x3 town centres. 6. Supporting Bacup and Haslingden business associations to grow and continue. 	<ol style="list-style-type: none"> 1. 27 hectares of employment land allocated within emerging Local Plan, pending inspectors sign off in December 2021. 2. Successful development of plot 1 and 5 at Futures Park Employment and Leisure Village. Plot 3 is pending a December 2021 Council report and plot 4 is pending a suitable enquiry. 3. Secured award winning company relocations in to the borough from Bury and Rochdale. 4. Secured new premises for a local business to retain 170 jobs within the Borough. 5. Re-configured the M66/A56 Steering Group to facilitate access and attract investment. 6. Launched Invest In Rossendale business brand with associated web site, social media feed, red carpet treatment, soft landing scheme, promotional video. 7. NNDR relief business expansion project functioning with 4 successful relocations/ expansions. 8. Produced an Early Strategic Case for investment for the City Valley Link with funding now secured for the Strategic Outline Business Case. 	<ol style="list-style-type: none"> 1. Streamlined Purchase/Lease/ Rental process with a new fit for purpose Property Services team. 2. Property Team has begun the process of an Asset Review prioritising 1500+ Council-owned assets and cross-checking land registry and finance to establish an up to date digital record of land and property. 3. Supported business expansion into former Rosso depot. 4. Promoted NNDR relief scheme to existing businesses. 5. Established a business advisor service. 6. Business Recovery Plan in place. 7. Delivered Re-opening the High Street Safely and Welcome Back Funds. 8. Invest In Rossendale workshops and events held. 9. Business Relationship Programme established. 10. Delivered collaborative event with Valley at Work and sponsored food and drink guide. 11. Series of promotional work for Small Business Saturday. 12. Working with partners to establish green energy project. 	<ol style="list-style-type: none"> 1. Approved and consulted Visitor Economy Strategy 2020-2030. 2. Delivered £2.2m NLHF Whitaker Museum expansion. 3. Completed the £600k Ski Rossendale refurbishment. Worked with Ski Rossendale to rebrand, market and launch new facilities. 4. Work with the LEP/Marketing Lancashire to promote the visitor economy in various guides and online platforms. 5. Annual Leisure and Tourism Stakeholder Forum in place. 6. Supported Bacup FC's forward plan to grow and become sustainable. 	<ol style="list-style-type: none"> 1. Established strategic Rossendale Employability and Skills group 2. Rossendale Youth Works. established in response to impact of Covid. 3. Established Employment Youth Hub in response to impact of Covid. 4. Delivered year 4 of Rossendale Works Employability and Volunteering Project. 5. Secured funding to run Kickstart employment scheme in Rossendale. 6. Work with the LEP/Skills & Employment Hub to improve the take up of employment and skills services. 7. Raised aspirations and informed career choices with better links between Rossendale's high schools and business. 8. Annual employability & skills fair targeting young people, NEET and job seeking adults.

Appendix A

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Benefits: Outputs/ Outcomes</p>	<ul style="list-style-type: none"> • Bacup HAZ <ul style="list-style-type: none"> ➢ Project Board with 2 subgroups and Cultural Consortium set up. ➢ Engaged with 15 building owners to RIBA Stage 3. ➢ 4 building feasibility studies completed and grants approved for 3 buildings. ➢ Review of Conservation Area Management Plan & shop front design guide completed. • Permission secured to commence Haslingden NLHF project. • 30 jobs safeguarded (Together Housing Group) and 10,000 sq ft/929 sq m floor space refurbished at Spinning Point. • New state of the art bus station; 2,846 sq ft/264 sq m new commercial floorspace with 1 let. • Funding secured for Rawtenstall Town Square improvement scheme. • Rawtenstall Market <ul style="list-style-type: none"> ➢ 6 year Management Agreement secured. ➢ 100% occupancy on permanent stalls. ➢ >150 pop up stalls during 2020-21. ➢ Events programme implemented with 10 events held. • 15 positive press releases/features during 2021. • Gathered baseline data for town centre pedestrian counts and town centre vacancy. • Monthly attendance at local business group meetings. 	<ul style="list-style-type: none"> • Plot 1 Futures Park <ul style="list-style-type: none"> ➢ Construction of bespoke Nursery premises; ➢ creating 30 new jobs within the Borough; ➢ Rental and business rate income. • Plot 5 Futures Park <ul style="list-style-type: none"> ➢ Creating 5262 sq m new commercial floor space; ➢ Safeguarding 174 jobs within the Borough; ➢ Creating up to 90 new jobs; ➢ Rental and business rate income. • 1 inward investment relocation <ul style="list-style-type: none"> ➢ Bringing 162 jobs into the Borough; ➢ Creating over 50 new jobs; ➢ £5.9million investment into a derelict employment site. • 1 inward investment relocation <ul style="list-style-type: none"> ➢ Bringing 30 jobs to the Borough; ➢ Creating over 30 new jobs; ➢ Upgrading 60,000 sq ft floorspace; ➢ £2.5m capital receipt. • 1 inward investment/1 business relocation <ul style="list-style-type: none"> ➢ Safeguarding 82 jobs; ➢ Creating 30 new jobs. • 1 business relocation <ul style="list-style-type: none"> ➢ Safeguarding 170 jobs within the Borough; ➢ Bringing a derelict building back into use; ➢ Securing funding of £550k for the repair and refurbishment works. • 4 NNDR relief applications approved. 	<ul style="list-style-type: none"> • New Property Team established with 3 core Officers. • PLR process overhauled, streamlined and backlog brought under control. • PLR process internally audited in March 2020 and noted to be robust • Visits undertaken to 35 garage sites and garage application process streamlined. • 212 site visits undertaken within Asset Review - sourced circa £11,000 in additional revenue from the 2 Wards examined to date. • Successful negotiation of the disposal of Rawtenstall Liberal Club. • Receipt of circa £70K income from active portfolio management and new enquiries. • 60 attendees at 2020 Invest In Rossendale virtual event. • 1400 businesses supported with advice, including property searches & grant referrals. • 159 individual 1:1 sessions with business. • 16 business workshops held, attended by 211 businesses. • £11.2m Covid support grants delivered to Rossendale businesses. • Delivered support to local businesses through Reopening High Streets Safely campaign. • 35 business recruitment issues resolved via the Rossendale Works employability project. • 716 followers on twitter. 	<ul style="list-style-type: none"> • New Visitor Economy Strategy 2020-2030. • 43 participants engaged in 5 tourism, leisure and culture subgroups. • Whitaker museum expansion project <ul style="list-style-type: none"> ➢ Doubling size of existing museum; ➢ Creating 6 new jobs; ➢ Securing additional £155k grant for teaching space. • Gathered baseline data for visitors to town centres and Lee Quarry Mountain Bike Facility. • Interpretation boards and wayfinding signage placed for 30, 60 and 90 minute walking routes from the 3 town centres. • Supported East Lancashire Railway to initiate marketing project with Marketing Lancashire to increase visitor numbers. • 27 attendees at Leisure and Tourism Stakeholder Forum. 	<ul style="list-style-type: none"> • 'Rossendale Works' <ul style="list-style-type: none"> ➢ 105 participants ➢ 70 into full time employment ➢ 14 completed ofqual/AQA accredited training. • 'Rossendale Youth Works' <ul style="list-style-type: none"> ➢ 75 assessments ➢ 30 placements within Rossendale businesses ➢ 24 into full time employment ➢ Employment Youth Hub set up ➢ 3 local partners secured to deliver education platforms. • Kickstart Scheme <ul style="list-style-type: none"> ➢ Scheme widely promoted to Rossendale employers via IIR website and newsletters; ➢ 10 placements secured with Rossendale employers • 2 employability, jobs & skills events delivered for the people of Rossendale. • 7 ambassador businesses linked to each high school.
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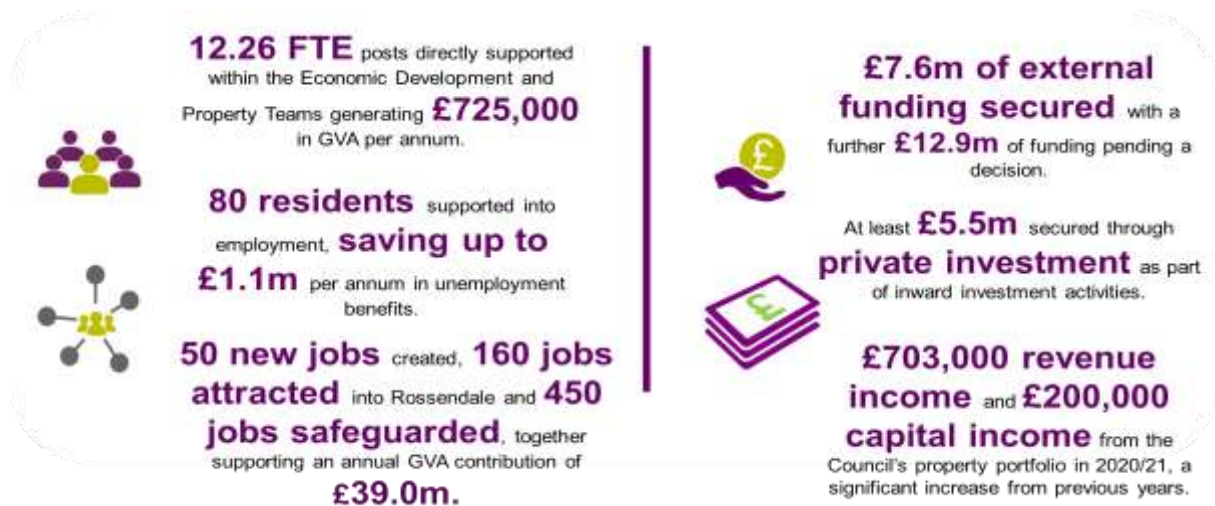
Appendix B: Key Messages

The Rossendale Borough Council Economic Development and Property teams have made considerable progress against the actions outlined in the Economic Development Strategy for Rossendale since 2018, despite challenging wider circumstances.

18 actions have already been delivered in full

Strong progress has made against a further **23 actions**

The teams' activities have generated considerable impacts for the Rossendale economy, supporting the businesses and residents that the Council serves, as well as strengthening income streams. Quantified benefits arising from the teams' activities include:



Relative to the cost to the Council of funding the teams, the return on investment of these benefits is considerable, equating to:



Subject:	Rossendale Works update and funding decision report	Status:	For publication
Report to:	Cabinet	Date:	13 th October 2021
Report of:	Director of Economic Development	Portfolio Holder:	Leader of the Council & Portfolio Holder for Economic Development
Key Decision:	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Ian Stackhouse	Telephone:	01706 252480
Email:	ianstackhouse@rossendalebc.gov.uk		

1. RECOMMENDATIONS

- 1.1. Cabinet to approve an extension of the Rossendale Works project from April 2022 to December 2023 and agree Council match funding of £52,500 over the next two financial years, starting in 2022/23.
- 1.2. To authorise the Monitoring Officer to enter into a grant funding agreement and extension of the current delivery agreement with Active Lancashire.
- 1.3. To enter into a grant funding agreement for extra ESF 1.4 funding to enable intensive work with those furthest from the labour market.
- 1.4. Cabinet to approve the Community Renewal Fund acceptance if awarded.
- 1.5. Monitoring Officer to enter into a Community Renewal Fund grant funding agreement and the Head of Regeneration to award a lease to Rossendale Works.

2. PURPOSE OF REPORT

2.1 To provide an update on the progress made with the project and to request Rossendale Borough Council funding of £52,500 towards the continuation of the Rossendale Works Project. This would result in an additional £78,750 of external ESF 1.1 funding being drawn down for the benefit of the borough. This funding package would be used to continue to fund the Rossendale Works Project for the period April 2022 to December 2023, when the current funding expires in March 2022.

2.2 To update and authorise the creation of a Rossendale Works facility at Stubblelee and associated Community Renewal Funding.

3. Background

Cabinet Report 2020

The Cabinet report in 2020 should be read in conjunction with this report <https://www.rossendale.gov.uk/meetings/meeting/1132/cabinet> .

Strategic fit

Corporate Strategy

Rossendale Works is part of priority 1 of the Corporate Strategy, a vibrant economy.

Rossendale Works directly links with Rossendale Councils Economic Development strategy priority 5. It is listed as a target to establish the Rossendale Works employability project.

Covid recovery strategy: Rossendale Works is named as a key project to support the borough's recovery from the impact of Covid.

Links directly to Corporate Plan 2021-2025 (Our Place, Our Plan). Corporate Plan Objectives 2021/22 (Thriving Local Economy). A11 - work with schools, colleges and businesses to match future business opportunities with the right skill provision, to boost the number of apprenticeships and ensure more local people can benefit from local job opportunities. Specific objective - Secure funding for Rossendale Works and Youth project for April 2022+.

Strategic oversight - Rossendale employability and skills group

To co-ordinate the delivery of the ED strategies priority five objectives, as well as partners operating in the borough, we have with the LEP established the Rossendale Employability and Skills Group. This is chaired by the Director of Economic Development.

All three of the Rossendale Works projects sit alongside the Local Economic Partnerships escalator delivery framework which links in with other Lancashire projects. DWP work coaches allocate candidates to each project based upon their individual circumstances and location. This ensures that Rossendale Works is adding value, does not duplicate efforts and boosts Rossendale employability provision.

Project Need

Economically Inactive in Rossendale and the impact of Covid

Unemployment has risen sharply over the past few years as a result of the Covid restrictions. The whole country has seen a significant increase since March 2020 due to the Covid pandemic. In July 2021 there were 2,445 claimants - 5.5% in Rossendale compared to 1,465 claimants - 3.3% - in March 2020. This is an increase of 980 residents. These figures are similar to the national picture with Lancashire currently 5.7% and the North West 6.1%.

It is estimated that a further 1.9 million UK workers were still on furlough at June 2021. At June 2021 in Rossendale 6% (1700) of the workforce were currently furloughed. The exact impact of the end of the furlough is unknown but it is reasonable to assume that this will add to the unemployment numbers.

Table 1 - claimant count in Rossendale by age profile as at July 2021

Age	Number of claimants
16+ (all)	2,224
16 to 17	10
18 to 24	495
25 to 49	1,335
50+	610

Table 2 below shows the total claimant count for those age 16+ and those specifically aged between 18-24 for Rossendale compared against regional and national averages.

The table also illustrates the impact of the pandemic on younger people in the borough. Rossendale's July 2021 figure stands at 10.2% (compared to 6.4% in March 2020). It is the highest out of the 4 indicators shown with the North West at 8.2%, Lancashire at 7.6%, and Great Britain at 7.2%.

Table 2 - % of all claimants plus % of claimants age 18-24

	Rossendale		Lancashire		North West		Great Britain	
	Age 16+	Age 18-24	Age 16+	Age 18-24	Age 16+	Age 18-24	Age 16+	Age 18-24
Mar 20	3.3	6.4	3.7	4.9	3.7	5.1	3.1	4.2
Apr 20	5.9	10.5	6.0	7.9	6.2	8.2	5.1	6.6
May 20	6.9	12.6	7.0	9.7	7.2	10.0	6.4	8.7
Jun 20	6.6	12.4	6.8	9.8	7.0	10.1	6.2	8.9
Jul 20	6.8	12.7	6.8	10.0	7.1	10.3	6.4	9.3
Aug 20	6.7	12.2	6.8	9.7	7.1	10.2	6.5	9.3
Sep 20	6.7	12.4	6.7	9.5	7.0	10.2	6.4	9.2
Oct 20	6.4	12.2	6.5	9.3	6.8	10.0	6.2	9.0
Nov 20	6.4	11.7	6.6	9.3	6.9	9.9	6.3	8.9
Dec 20	6.5	11.6	6.6	9.3	6.9	9.7	6.2	8.8
Jan 21	6.3	11.2	6.6	9.4	6.8	9.6	6.2	8.7
Feb 21	6.6	11.9	6.8	9.7	7.1	10.0	6.5	9.0
Mar 21	6.4	11.8	6.8	9.7	7.1	10.1	6.5	9.0
Apr 21	6.4	11.5	6.6	9.3	6.9	9.8	6.3	8.8
May 21	6.0	10.8	6.2	8.7	6.5	9.1	5.9	8.1
Jun 21	5.7	10.3	5.8	7.9	6.1	8.5	5.5	7.5
Jul 21	5.5	10.2	5.7	7.6	6.1	8.2	5.5	7.2

Table 3 - % of claimants by the other specific age groups in July 2021 compared to (March 2020)

Age range	Rossendale	Lancashire	North West	Great Britain
25-49	5.9 (3.5)	6.6 (4.2)	6.9 (4.2)	6.0 (3.3)
50+	4.1 (2.4)	4.2 (2.7)	4.3 (2.7)	4.3 (2.5)

There are pockets within Rossendale where claimant rates are higher than the average for the borough (average 5.5%). Particularly in the Haslingden ward of Worsley (8.7%), the Bacup wards of Greensclough (6.8%) and Irwell (6.7%) and the Rawtenstall ward of Longholme (6.4%). (Source: Nomis)

Whilst there are some small signs of recovery from the pandemic, claimant figures are still significantly higher than pre-Covid with Rossendale having a particular challenge around the 18-24 age group.

Covid has impacted the labour supply side and in turn affected business recruitment. The business base has contracted which resulted in fewer opportunities as well as significantly more recently out of work candidates which has unfortunately reduced the prospects for more difficult to employ residents. This has affected all employability programs in Lancashire which were designed under ESF 1.4 to tackle long term unemployed and disadvantaged residents. Nationally in June 2021 there were 3.15 claimants per vacancy, compared to 2.37 in January 2019. We are now starting to see an increase in vacancies per month in Rossendale with 107 available in June 2021 compared to 70 in June 2020.

LEP Changes to ESIF Funding

Lancashire Local Economic Partnership has instructed that the remaining two years of the ESF program will now be under measure ESF1.1 which is aimed at those that are short term unemployed. As such, all employability projects including Rossendale Works will need to adapt for the period 2022-2024; for Rossendale Works, this is an easy transition as the project was originally set up to benefit both long and short term unemployed. However, in

order to maintain continuity of provision to the hard to reach group, Active Lancashire has agreed to match fund RBC salary costs already core funded, on a time proportionate basis, to bring in additional ESF 1.4 funding. This would be in addition to the ESF 1.1 funding and be used specifically to target harder to reach residents. This relatively small, and at no cost to RBC, addition to Rossendale Works will enhance the project. These figures are still to be confirmed but will be added to the existing SLA and grant funding agreement when known.

Employers' Need

The Office for National Statistics estimates the number of UK vacancies at any given time. During the period April-June 2020 it was estimated that there were 340,000 UK vacancies. This is the lowest estimate since records began, at the height of the pandemic. During the period May-July 2021 there were an estimated 953,000 UK vacancies – the highest on record. Some businesses, particularly larger ones, are now seeing vacancy levels above their pre-pandemic peak for the first time. Critical will be the readiness of the job market to take advantage of these vacancies. It will be key to ensure that investment is made in upskilling to ensure the workforce can meet the requirements of employers (Source: Office for National Statistics.)

Rossendale Works – Success and Model

Rossendale Works is considered by many to be one of the leading employability programs in the region and can be considered good practice. Its record pre-Covid was one of the highest performing projects in comparison to other ESF 1.4 More Positive Together projects. It has recently been duplicated with a similar scheme by Pendle Council. It ensures that disadvantaged residents are given additional added value support in their employment journey to share the benefits of local employment growth; raising household income levels and wellbeing, as well as increasing the local supply of suitable labour to Rossendale's businesses. The project is a partnership between Rossendale Borough Council, the Department of Work and Pensions (DWP) and Active Lancashire. It has successfully secured match funding from a variety of sources since its establishment in 2017. It has three main strands –

- Rossendale Works
- Rossendale Youth Works
- Rossendale Youth Hub

Rossendale Works

The initiative has been running since April 2018 and has proved a great success. This project assists almost ready and ready for work candidates to complete low level training and activities that improve life skills and confidence. After a programme of assistance between 10 and 20 weeks, candidates are then offered an up to 4 week placement with a local employer that is seeking to employ local people if they perform well. The Economic Development and Property Team through contacts, marketing and events promote the project and work with the Active Lancashire staff based in the team to identify expanding businesses. Rossendale Works have strong existing relationships with local growing businesses who regularly work with the project by providing placement opportunities. Staff within Economic Development continue to expand the number of businesses that are engaging with the project.

Since April 2020 the project has been funded by an annual £30,000 RBC contribution from the employment and transport reserve plus an additional £48,000 1.4 ESF funding through the More Positive Together programme managed by Active Lancashire. This is on a 40:60 ratio. This employs a dedicated project manager and a full time equivalent of a project

support officers as well as a training and activities budget.

Table 4 below shows how many may have participated in the scheme and the key output which is currently 80 people into employment.

Table 4 - Rossendale Works – Participants and people into work since project start (April 2018 to August 2021)

Output	Achieved
Number of participants	315
Number into employment	80

Rossendale Youth Works

In September 2020 the DWP approached RBC and offered £50,000 to 100% fund a 12 month project with a specific focus on 18-25 year olds with barriers to employment. This project is known as Rossendale Youth Works and runs until October 2021. It works in a similar way to the main Rossendale Works project but has a more intensive focus with a dedicated project officer based in the Economic Development and Property team. Activities and training is tailored to the specific age group. Candidates are referred to the scheme by the DWP. This project runs alongside Rossendale Works and they complement and add value to each other.

Rossendale Youth Works funding is due to finish at the end of October 2021 however on-going discussions are taking place with the DWP for a proposal to refresh the funding for the project under the original terms of the scheme. The DWP are currently designing a new application process and as soon as that is finished we will be completing a new application.

Table 5 shows how many people have been assisted by the initiative and this has resulted in 24 people moving into employment.

Table 5 – Rossendale Youth Works – Participants and people into work since project start (November 2020 to August 2021)

Output	Achieved
Number of participants having been referred to the scheme by the DWP	80
Number into employment	24

Rossendale Youth Hub

A key part of the Rossendale Youth Works project was the creation of a youth hub at Futures Park. Young people referred to Rossendale Youth Works project would attend the Youth Hub for further support and assistance. Initially this was simply the use of a training room to deliver sessions and the use of interview rooms. However, DWP suggested a more intensive partnership and two x DWP work coaches are now based at the Youth Hub which is based in the One Stop Shop, where youth employability type activities are delivered.

Whilst the Youth Hub has worked well, partners agreed that it could benefit from re-locating to a more suitable location. It is felt that the One Stop Shop is a formal environment and may not be best suited to engaging young people with barriers to employment.

As a result RBC have submitted a funding bid, through partners Active Lancashire, to the Community Renewal Fund. This bid is for c£30,000 and would enable the relocation to a more suitable location. RBC owns Stubblelee Hall in Stubblelee Park and this has been

identified as the preferred location for the Youth Hub. The Community Renewal Fund (CRF) is a pre-cursor to help places prepare for the UK shared prosperity fund which replaces the European Structural and Investment Funds that are coming to an end. The fund aims to help support people and communities most in need across the UK. The UK CRF will support projects which deliver by March 2022, that have been developed based upon local and community needs and where they can act as pilots for the UK Shared Prosperity Fund which is to be introduced in 2022.

Stubbylee Hall currently houses the Citizens Advice Bureau and opposite is Newground – a social enterprise delivering community services including training and employment initiatives. The wider park also includes Stubbylee Community Greenhouses, providing rehabilitation for people who have physical or mental ill health, or long term unemployment issues. The provision of the Rossendale Works employment projects at Stubbylee would complement these community focused initiatives and allow users access to a wide range of services and support. The proposal accords with the work of the Communities Team and Valley Heritage looking at the long term sustainability of the hall and the wider masterplan for the park

Kickstart

Nationally and locally the government has responded to the Covid crisis by launching new initiatives such as Kickstart. Rossendale Council is a registered gateway provider for Kickstart which provides wage subsidy and training support to employers who offer 6 month placements. Kickstart is due to finish in June 2022 with the latest starters on the scheme by the end of October 2021. Other funding to help address the impact of the increase in unemployment has also been announced with new national projects such as UK Prosperity prospectus and UK Community Renewal fund. RBC has directly assisted in securing 6 month long employment placements for 13 young people.

External funding opportunities and changes

Other funding to help address the unemployment impact has also been announced with new national projects such as UK Prosperity prospectus and the short-term Community Renewal Fund. Further opportunities could also be announced to secure long term funding but this will require an element of RBC match funding, typically £30,000 per annum, to take the project beyond December 2023.

Forward Plan

The recommended forward plan is:
 Rossendale Works – 2022-2024 through the Active Lancashire More Positive Together project continue the Rossendale Works Project under measure 1.1. This will require £30,000 RBC match funding 2022-2023 and £22,500 match funding 2023-24 (April 2022 to December 2023) = £52,500 over 21 months.

Rossendale Works Funding April 2022- December 2023 (21 months).

RBC Match funding 2022/2023.....	£30,000
RBC Match funding 2023/2024.....	£22,500
ESF 1.1.....	£78,750
Total project cost.....	£131,250

Break down of costs

X1 full time dedicated officer and fte x1 support officer...	£93,750
Active Lancashire contract management fee of	£7,875
Evaluation & compliance fee	£787 (1%)

Training and activities.....	£28,838
Total project cost.....	£131,250

It is anticipated the outputs will be the same as they currently are for the current year but this will be negotiated with Active Lancashire in the coming weeks.

Active Lancashire will provide ESF funding of £78,750 which is drawn down through the RBC match funding.

Rossendale Youth Works – this is seen as a short term boost to provision for 18-25-year-old residents and is fully dependent upon DWP renewing funding September 2021 onwards. Other funding will be sought where possible but with no RBC match.

4. **FINANCE**

The Employment and Transport (E&T) Reserve has been used to earmark match funding to support the Rossendale Works scheme to date. This funding ceases as at March 2022. On current plans, the E&T reserve is fully exhausted by March 2022. The Council will therefore need to consider the extension of this scheme in the context of the MTFS, efficiency requirements and strategic use of reserves to balance its budget going forwards. Subject to closure of the Council’s accounts for 2020/21 and any adjustments to non-ringfenced sums held in reserves, the planned use of reserves, as at February 21, (Transitional Budgetary Support Reserve and General Fund Balance) over the MTFS period is £1.2m, to fund the forecast budget ‘gap’. The request is for a £30,000 RBC in 2022-2023 and £22,500 in 2023/24 totalling £52,500. Funding this project from the Transitional Budgetary Support Reserve will increase the efficiency target over the life of the MTFS by an equivalent amount i.e. £52,500 and require additional efficiency savings to be identified.

5. **RISK**

Loss of match funding

Match funding has been secured by a partner organisation with a grant funding agreement in place for 2022-24. Active Lancashire have funding for the duration of the funding request. The risk that this will be lost is minimal. If this was withdrawn then the project would immediately seek alternative match funding and be reviewed.

Partnership arrangement breaks down

The partnership with Active Lancashire is strong and has been operational with a service level agreement from April 2018. It is unlikely that this relationship will break down and the contract is managed through regular project group meetings where joint decisions are made.

Lack of engagement from businesses

Businesses need to come forward with placement opportunities. They are made aware of the project through one to one meetings, forums, websites and social media. The project has proved to be popular with local SMEs in the previous years of operation and has a strong reputation, as such this risk is low.

Lack of engagement from individuals

The Rossendale Works Officer is based in the DWP Rawtenstall office one day a week and directly links with the job coaches who pass on referrals. Outreach activities take place across the borough and holds events borough wide. This project has proved popular with residents over the previous years and the risk of lack of engagement is low.

Failure to deliver target outputs and under performance of the Community Renewal Fund and draw down process

We are still waiting for confirmation of funding and this was expected several months ago; the timescale is fixed at March 2022 and this will now result in a very tight delivery timescale. This funding also has a performance drawdown clause which raises the risk of RBC not receiving the agreed grant if outputs are not achieved. These two risks are mitigated by having a proven delivery model and a clear schedule of works for delivery of the Stubblelee project.

6. LEGAL

Save for the requirement for the necessary legal agreements and potential lease/licence arrangements to be agreed and signed, there are no legal implications arising from the body of this report.

7. POLICY AND EQUALITIES IMPLICATIONS

The policy implications are outlined within the body of the report. The original EIA has been reviewed and there are no new emerging issues. Outputs relate to protected characteristics including females, young people, disabilities and BAME which has a positive impact on protected characteristic groups.

8 CONCLUSION

Rosendale Works is one of our leading Economic Development projects being delivered by the Council in partnership with Active Lancashire. This report will ensure its continuation until December 2023.

Background Papers	
Document	Place of Inspection
Lancashire Skills and Employment Hub – Lancashire Enterprise Partnership	Evidence Base - Lancashire Skills and Employment Hub (lancashireskillshub.co.uk)
Nomis Official labour market statistics	Nomis - Official Labour Market Statistics (nomisweb.co.uk)
Office for National Statistics	Vacancies and jobs in the UK - Office for National Statistics (ons.gov.uk)
Community Renewal Fund	Community Renewal Fund - Lancashire County Council UK Community Renewal Fund: prospectus 2021-22 - GOV.UK (www.gov.uk)
BBC News Online	https://www.bbc.co.uk/news/explainers-52135342
Rosendale Borough Council – Council Report – 8 th September 2021	Agendas, reports and minutes Rosendale Borough Council
Cabinet report February 2020	C2 https://www.rossendale.gov.uk/meetings/meeting/1132/cabinet
Cabinet November 2017	https://www.rossendale.gov.uk/meetings/meeting/1057/cabinet2019-20

Subject:	Environmental Crime Enforcement	Status:	For Publication
Report to:	Cabinet	Date:	13 th October 2021
Report of:	Public Protection Unit	Portfolio Holder:	Communities
Key Decision:	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Phil Morton	Telephone:	01706 252442
Email:	philmorton@rossendalebc.gov.uk		

1.	RECOMMENDATIONS
1.1	That Cabinet note the contents of the report and approve a formal tendering exercise to secure a possible third party enforcement service. A further report providing full details of any proposed scheme will be presented, prior to an award being made.
1.2	That Cabinet agree to continue the current contract until a new award is made or a decision is taken to stop the service.

2. PURPOSE OF REPORT

2.1 To provide Cabinet with an update on environmental crime enforcement and to seek approval to go out to tender to continue the service.

3. BACKGROUND

3.1 A High Quality Environment is a key theme in the Council's Corporate Plan and this includes the specific action:

3.2 "To ensure pro-active use of education and our enforcement powers to ensure that the borough is welcoming and creates a positive view of our town centres"

3.3 On 10th October 2018, Cabinet approved a 12 month trial for a third party company to provide an on street environmental crime enforcement presence. This was commissioned to deal with the growing issues of littering, dog fouling and other environmental offences.

3.4 A copy of the report considered by members is attached at **Appendix A**.

3.5 The trial period commenced in December 2018 for an initial period of 12 months with an option contained within the Service Level Agreement to extend the trial on two occasions by up to 12 months.

3.6 This was to allow a full assessment by both parties on the effectiveness of the trial and to allow flexibility in the arrangements to accommodate changes in legislation, policies etc.

3.7 In November 2019, an extension was approved by Cabinet to allow a further 12 months trial, following the introduction of a Public Space Protection Order (PSPO) covering a wide range of dog control powers. Report attached at **Appendix B**.

3.8 This extension commenced in January 2020.

- 3.9 In March 2020, Covid 19 resulted in the service being suspended for a period of 5 months.
- 3.10 This period ends in December 2021, at which point it is required that a procurement exercise is required to continue the service. When considering the high level of offences that take place and the schemes positive effect in prevention, it is proposed that a formal tendering process takes place to assess potential providers with a view to continuing the provision.
- 3.11 Continuation of the service will greatly enhance the Council's ability to deal with a wide range of environmental crime.
- 3.12 The restructuring of the Public Protection Unit (PPU) has proved successful in tackling incidents of fly tipping, abandoned vehicles and duty of care waste offences.
- 3.13 Continuing the use of a third party enforcement service to deal with littering, dog control and low level environmental crime will further add to the council's aim of improving the quality of our local environment.
- 3.14 In common with all local authorities, Rossendale suffers from the effects of Environmental Crime including littering, dog fouling, fly tipping and other waste issues. Litter includes such items as cigarette butts, chewing gum and food packing which when deposited inappropriately can cause harm to the environment and be hazardous to wildlife.
- 3.15 Rossendale is committed to providing a "clean and green" borough and this includes reducing the incidents of environmental crime by carrying out awareness raising campaigns and making the best use of the legislation available to enforce against those who continue to commit offences, including the use of fixed penalty notices.
- 3.16 The Council has adopted the use of fixed penalty notices covering a range of offences, which offer an individual the opportunity to pay a fixed penalty of £75 in order to avoid prosecution through the courts. This amount is as stipulated in legislation and applied where no other amount is fixed by the Council. At present, this penalty is retained by the current enforcement provider in order to deliver the services.
- 3.17 The number of fixed penalty notices for littering issued monthly has reduced from the initial introduction of the scheme, whilst the number of patrols carried out by officers has remained constant. This suggests that the presence of on street enforcement officers is having a positive effect in changing attitudes to littering. Performance figures are attached at **Appendix C**.

It is important for members to note that the number of FPN's issued has decreased over the three years of operation. This is partly due to Covid and also it is hoped that a reduction is due to changing behavior.

In 2019, 2463 FPN's were issued with a payment rate of 74%. In 2020, 1090 were issued with a payment rate of 71%. In 2021 up to August, there have been 735 FPN's issued for the part year.

The majority of tickets issued are for discarded cigarettes with very few for dog fouling. Dog fouling is much more difficult to ascertain and issue tickets for, however it is of

concern to the public.

As part of the tendering exercise, we will be seeking to increase the amount of FPN's issued for dog fouling and littering other than cigarette butts. This will be reflected in the scoring that is used to ascertain the successful tender.

- 3.18 The tender specification will place emphasis not only on the enforcement capability of the chosen supplier, but also on the added social value, they can bring in relation to long-term benefits and behavioral change, including education and community engagement.
- 3.19 As part of the new specification, it will be proposed that tenderers should consider the implications of a potential increase in the fixed penalty charge up to £90, a proportion of which will be to cover the Council's costs in relation to enforcement activity.
- 3.20 Any proposed contract will run for a period of 3 years.

4. RISK

- 4.1 A full report will be presented to Council in December 2021 on the results of the procurement exercise. If an award is recommended, a full proposal will be presented for approval.

5. FINANCE

- 5.1 The contract procurement process will give consideration as to the financial options and/or opportunities available to the Council.

6. LEGAL

- 6.1 A full tender process will be completed in accordance with the Constitution and public contract regulations. A further report to Council will be presented in order to obtain approval to award the contract and seek permission to enter into the 3 year contract subject to the Council's terms and conditions.
In determining the level for a fixed penalty, the Council will need to take into account the deterrent effect of different levels and peoples' readiness to pay and the levels of fines imposed locally for the relevant offence in Magistrates' Courts.

7. POLICY AND EQUALITIES IMPLICATIONS

- 7.1 Consultation on related issues such as Public Space Protection Orders has shown strong public support for enforcement. A high quality environment is a key theme in the Council's Corporate Plan and this procurement if successful will help deliver this. Based on the results of the tender, an equalities impact assessment will be required to ensure that any future service does not disadvantage a protected characteristic group.

8. CONCLUSION

- 8.1 Continuation of a third party enforcement service focusing on low level environmental crime will further enhance the Council's ability to improve the quality of the local environment. The procurement exercise will determine if companies wish to provide the service in Rossendale and on what terms. The tender exercise will also ensure that the right balance of education, enforcement and added social value is obtained from any successful provider.
- 8.2 A full proposal will be presented to Council on how the final scheme will work following the tendering process.

Background Papers

Document	Place of Inspection
Copy of Cabinet report 10 th October 2018	Appendix A
Copy of Cabinet report 27 th November 2019	Appendix B
Fixed Penalty performance figures	Appendix C

Subject:	Pilot Scheme to increase enforcement activity in relation to Environmental Crime	Status:	For Publication
Report to:	Cabinet	Date:	10 th October 2018
Report of:	Public Protection Manager	Portfolio Holder:	Operations
Key Decision:	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Phil Morton	Telephone:	01706 252442
Email:	philmorton@rossendalebc.gov.uk		

1.	RECOMMENDATION
1.1	<p>That Members approve the 12 month trial of a third party company to provide an on street environmental crime enforcement capability with the following provisions;</p> <p>a. The contract is at zero cost to the council.</p> <p>b. The contract is flexible to include additional enforcement activity as deemed appropriate.</p> <p>c. The providers take a proportionate approach in accordance with the legislation.</p> <p>d. That education and awareness raising of the consequences of environmental crime are included.</p> <p>e. That if successful, proposals for a more permanent arrangement are developed.</p>

2. PURPOSE OF REPORT

2.1 To provide Cabinet with details of a proposed 12 month Environmental Crime Enforcement trial using a third party private service provider.

To seek approval to commence the trial and evaluate the impact before carrying out a formal procurement exercise.

3. CORPORATE PRIORITIES

3.1 The matters discussed in this report impact directly on the following corporate priorities:

- **A clean and green Rossendale:** our priority is to keep Rossendale clean and green for all of Rossendale's residents and visitors, and to take available opportunities to recycle and use energy from renewable sources more efficiently.
- **A connected and successful Rossendale that welcomes sustainable growth:** our priority is to ensure that we are well connected to our residents, key partners and stakeholders. We want to make the most of every pound we spend and we are always looking for new and innovative ways to make the resources we do have, work harder for us.
- **A proud, healthy and vibrant Rossendale:** our priority is to ensure that we are creating and maintaining a healthy and vibrant place for people to live and visit.

4. RISK ASSESSMENT IMPLICATIONS

4.1 The risk associated with carrying out any enforcement work is the effect on the reputational image of the council, either by over enforcing or not enforcing enough.

Either way care needs to be taken to ensure fairness and a balance needs to be reached

between education and enforcement.

5. BACKGROUND AND OPTIONS

5.1 In common with all local authorities, Rossendale suffers from the effects of Environmental Crime including littering, dog fouling, fly tipping and other waste issues. Litter includes such items as cigarette butts, chewing gum and food packing which when deposited inappropriately can cause harm to the environment and be hazardous to wildlife.

Rossendale is committed to providing a “clean and green” borough and this includes reducing the incidents of environmental crime by carrying out awareness raising campaigns and making the best use of the legislation available to enforce against those who continue to commit offences, including the use of fixed penalty notices.

The council has already adopted the use of fixed penalty notices covering a range of offences, which offer an individual the opportunity to discharge and liability to conviction for the offence to which it relates.

When individuals choose not to discharge their liability through payment of a fixed penalty, then prosecution can be taken through the courts.

The formation of the Public Protection Unit has focused the councils approach to dealing with a range of issues affecting the environment and is now using a range of proactive approaches in tackling environmental crime.

However, the capacity of the unit to deal with every day, on street enforcement of littering and dog fouling etc. is limited, and the appointment of a 3rd party company to provide this will greatly increase the council's capability in dealing with these issues.

The proposal to enter into a pilot scheme with a private sector enforcement provider will increase the amount of enforcement activity that is undertaken in relation to environmental crime such as littering, dog fouling, fly tipping, and waste duty of care breaches.

This option will be at zero cost to the authority with the service provider covering costs through income achieved from issuing fixed penalty notices.

Fixed penalty notices are a valuable enforcement tool for dealing with the unauthorised deposit of litter, dog fouling, fly tipping and specific duty of care offences. They reinforce the council's commitment to take action against those who blight our communities by committing environmental crime.

By entering into a contract with a third party provider, the council can significantly increase its enforcement activity in relation to environmental crime.

The proposal will allow a 7 day service to ensure that full coverage is given to all our towns and open spaces and to provide the most effective service possible.

The service provider covers all of the enforcement and administrative support required to ensure successful issue of fixed penalty notices including all of the mobile technology requirements and access to identify verification information, in accordance with statutory requirements.

5.2 Increased admin support would be needed to cope with a significant increase in fixed penalty

notices, and to prepare files for prosecution.

5.3 A third party provider will provide all admin and back office support, thus reducing the financial risk to the council whilst increasing capacity.

5.4 The option to enter into a trial with the identified provider is based on the ability to provide a service model which fits the profile of Rossendale and to provide a standalone 7 day service, rather than enter into a shared service with a neighbouring authority.

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

6.1 Financial implications are noted within the report.

7. MONITORING OFFICER

7.1 This pilot will allow the Council to benchmark the service and formulate the specification for any potential tender to be advertised in the 2019/20 financial year. All legal agreements will need to be completed with the third party provider based on the Council's terms and conditions and at nil cost to the Council.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

8.1 No change to policy is needed as the use of fixed penalty notices to tackle environmental crime has already been adopted.

9. CONCLUSION

9.1 The trial of a third party service provider will give the council increased capability to tackle environmental crime at zero cost.

A full appraisal of the trial can then be carried out to look at the effectiveness of the scheme and carry out a formal procurement exercise.

Background Papers

Document	Place of Inspection
Service proposal document	Public Protection Unit

Subject:	Update on Environmental Crime Enforcement	Status:	For Publication
Report to:	Cabinet	Date:	27 th November 2019
Report of:	Public Protection Manager	Portfolio Holder:	Communities and Customers
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Phil Morton	Telephone:	01706 252442
Email:	philmorton@rossendalebc.gov.uk		

1.	RECOMMENDATION
1.1	That members note the contents of the report and approve an extension of the current trial period to allow further evaluation and full procurement process, subject to a 60 day notice period from both parties

2. PURPOSE OF REPORT

2.1 To provide Cabinet with and update of environmental crime enforcement and seek approval to extend the trial period in line with the Service Level Agreement

3. CORPORATE PRIORITIES

3.1 The matters discussed in this report impact directly on the following corporate priorities:

- **A clean and green Rossendale:** our priority is to keep Rossendale clean and green for all of Rossendale’s residents and visitors, and to take available opportunities to recycle and use energy from renewable sources more efficiently.

4. RISK ASSESSMENT IMPLICATIONS

4.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

The risk associated with carrying out any enforcement work is the effect on the reputational image of the council, either by over enforcing or not enforcing enough. Either way care needs to be taken to ensure fairness and a balance needs to be reached.

5. BACKGROUND AND OPTIONS

5.1 On 10th October 2018 Cabinet approved a 12 month trial of a third party company to provide an on street environmental crime enforcement presence to deal with the growing issues of littering, dog fouling etc. A copy of the report considered by members is attached at **Appendix A**.

The trial period commenced in December 2018 for an initial period of 12 months with an option contained within the Service Level Agreement to extend the trial by up to 12 months.

5.2 This was to allow a full assessment by both parties on the effectiveness of the trial and to allow flexibility in the arrangements to accommodate changes in legislation, policies etc.

5.3 Since December 2018, the service has attracted a great deal of positive attention in the media and across the wider community, supporting the efforts of the council to tackle those who blight our environment **Appendix B**.

- 5.4 The introduction of enhanced Public Space Protection Orders (PSPO's) covering a wide range of dog control issues means that the council has further powers available to deal with those irresponsible dog owners who continue to act in an anti-social manner.
- 5.5 Over the last year, the use of District Enforcement Ltd to carry out on street enforcement has been highly effective in raising the profile of the council's efforts to improve our environment, and to draw attention to the ongoing issues of littering and dog fouling.
- 5.6 The number of fixed penalty notices for littering issued monthly has reduced from the initial introduction of the scheme, whilst the number of patrols carried out by officers has remained constant. This suggests that the presence of on street enforcement officers is having a positive effect in changing attitudes to littering. Positive news stories as illustrated at **Appendix B** re-enforce this message.
- 5.7 The aim is to achieve the desired outcomes of reducing the amount of litter and dog fouling in our parks and open spaces and there is some evidence that this is starting to be effective but work is continuing to ensure this is a long term reduction.
- 5.8 A breakdown of performance figures, including ward profiles, demographics etc. is appended at **Appendix C**.
- 5.9 In relation to the total amount of fixed penalty notices issued for littering, the vast majority were in relation to smoking related detritus.

The Clean Neighbourhoods and Environment Act (2005) specifically defined cigarette and smoking related waste as litter.

Over 31bn filtered cigarettes are smoked in England every year and this creates 5225 tonnes of waste annually, resulting in 1202 tonnes of smoking related litter.

Smoking related litter is found on 73% of all streets and is the most common form of litter (Source; Keep Britain Tidy Group. Local Environmental Quality Survey 2015).

- 5.10 The team from District Enforcement are now embedded into the borough and their presence in and around the area is no longer seen as unusual.
- 5.11 In common with all local authorities, Rossendale suffers from the effects of Environmental Crime including littering, dog fouling, fly tipping and other waste issues. Litter includes such items as cigarette butts, chewing gum and food packing which when deposited inappropriately can cause harm to the environment and be hazardous to wildlife
- 5.12 Rossendale is committed to providing a "clean and green" borough and this includes reducing the incidents of environmental crime by carrying out awareness raising campaigns and making the best use of the legislation available to enforce against those who continue to commit offences, including the use of fixed penalty notices.
- 5.13 The Council has adopted the use of fixed penalty notices covering a range of offences, which offer an individual the opportunity to discharge and liability to conviction for the offence to which it relates. When individuals choose not to discharge their liability through payment of a fixed penalty, then prosecution can be taken through the courts.

- 5.14 The formation of the Public Protection Unit and the use of District Enforcement has focused the Council's approach to dealing with a range of issues affecting the environment and is now using a range of proactive approaches in tackling environmental crime.
- 5.15 To enable further evaluation of the impact of the pilot, and to assess the effect of the recently introduced PSPO's, it is suggested that the current arrangement with District Enforcement continues for a further period up to a maximum of 12 months during which time a fuller picture of the impact of the scheme will be available and a full procurement exercise can take place.

COMMENTS FROM STATUTORY OFFICERS:

6. SECTION 151 OFFICER

- 6.1 The contract extension and subsequent procurement process will give consideration as to the financial options and/or opportunities available to the Council.

7. MONITORING OFFICER

- 7.1 The extension sought will enable Officers to further assess the impact of the introduction of the new PSPOs and ensure that a full tender process is completed in good time for this pilot project drawing to a close. The tender process will be conducted in accordance with the Constitution and public contract regulations.

8. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

- 8.1 A full consultation exercise took place before the introduction of the recent PSPO's which showed conclusive support for continued enforcement of dog control measures.

9. CONCLUSION

- 9.1 The continuation of the current arrangements for a period not exceeding 12 months will allow a full evaluation of the impact of the trial, along with an assessment of the recently introduced Public Space Protection Orders. Further consideration will be given to extending the scope of the service to carry out other duties including the investigation of larger scale fly tipping and other environmental crime.

No background papers

DISTRICT ENFORCEMENT 2019

OFFENCE TYPE		
Offence Type	Offence Type Count	Percentage
Dog Control Orders-Dog Fouling (DCO)	<u>61</u>	<u>2.48</u>
Dog Fouling-Dog Fouling	<u>6</u>	<u>0.24</u>
Littering-Alcoholic Drinks	<u>2</u>	<u>0.08</u>
Littering-Bottle	<u>3</u>	<u>0.12</u>
Littering-Chewing Gum	<u>3</u>	<u>0.12</u>
Littering-Cigar	<u>4</u>	<u>0.16</u>
Littering-Cigarette Butt	<u>1603</u>	<u>65.08</u>
Littering-Discarded Food	<u>2</u>	<u>0.08</u>
Littering-Fast Food Related	<u>3</u>	<u>0.12</u>
Littering-Food Wrapper	<u>8</u>	<u>0.32</u>
Littering-Non-Alcoholic Drinks Related	<u>3</u>	<u>0.12</u>
Littering-Other Litter	<u>36</u>	<u>1.46</u>
Littering-Packaging	<u>24</u>	<u>0.97</u>
Littering-Printed Literature	<u>7</u>	<u>0.28</u>
Littering-Rolled up cigarette	<u>589</u>	<u>23.91</u>
Littering-Scratch Card	<u>1</u>	<u>0.04</u>
Littering-Snack Packs	<u>1</u>	<u>0.04</u>
Littering-Soft Drink Bottle	<u>1</u>	<u>0.04</u>
Littering-Soft Drink Can	<u>7</u>	<u>0.28</u>
Littering-Sweet Wrapper	<u>3</u>	<u>0.12</u>
Smoke Free (Place)-Cigarette (P)	<u>15</u>	<u>0.61</u>
Smoke Free (Place)-Rolled Up Cigarette (P)	<u>8</u>	<u>0.32</u>
Smoke Free (Place)-Rolled Up Cigarette (V) - Mini Bus	<u>2</u>	<u>0.08</u>
Smoke Free (Premises)-Cigarette (PR)	<u>2</u>	<u>0.08</u>

Smoke Free (Premises)-Rolled Up Cigarette (PR)	<u>4</u>	<u>0.16</u>
Smoke Free (Vehicle)-Cigarette (V) - Company Vehicle	<u>17</u>	<u>0.69</u>
Smoke Free (Vehicle)-Cigarette (V) - heavy goods vehicle	<u>1</u>	<u>0.04</u>
Smoke Free (Vehicle)-Cigarette (V) - Large Good Vehicle	<u>8</u>	<u>0.32</u>
Smoke Free (Vehicle)-Cigarette (V) - Private Hire Taxi	<u>5</u>	<u>0.2</u>
Smoke Free (Vehicle)-Cigarette (V) - Van	<u>12</u>	<u>0.49</u>
Smoke Free (Vehicle)-Rolled Up Cigarette - Heavy Goods Vehicle	<u>3</u>	<u>0.12</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Company Vehicle	<u>4</u>	<u>0.16</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Heavy Goods Vehicle	<u>1</u>	<u>0.04</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Large Goods Vehicle	<u>2</u>	<u>0.08</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Van	<u>12</u>	<u>0.49</u>
Total:	2463	

FPN ISSUED AFTER CANCELLATION 2463

FPN PAID 1832

Payment Rate 74%

DISTRICT ENFORCEMENT 2020

Offence Type	Offence Type Count	Percentage
Dog Control Orders-Dog Bags	<u>1</u>	<u>0.09</u>
Dog Control Orders-Dog Fouling (DCO)	<u>11</u>	<u>1.01</u>
Littering-Alcoholic Drinks	<u>2</u>	<u>0.18</u>
Littering-Bottle	<u>4</u>	<u>0.37</u>
Littering-Bottle Top	<u>2</u>	<u>0.18</u>
Littering-Chewing Gum	<u>9</u>	<u>0.83</u>
Littering-Cigar	<u>3</u>	<u>0.28</u>
Littering-Cigarette Butt	<u>714</u>	<u>65.5</u>
Littering-Confectionary Packs	<u>3</u>	<u>0.28</u>
Littering-Discarded Food	<u>4</u>	<u>0.37</u>
Littering-Fast Food Related	<u>2</u>	<u>0.18</u>
Littering-Food Wrapper	<u>3</u>	<u>0.28</u>
Littering-Non-Alcoholic Drinks Related	<u>3</u>	<u>0.28</u>
Littering-Other Litter	<u>24</u>	<u>2.2</u>
Littering-Packaging	<u>7</u>	<u>0.64</u>
Littering-Printed Literature	<u>3</u>	<u>0.28</u>
Littering-Rolled up cigarette	<u>156</u>	<u>14.31</u>
Littering-Scratch Card	<u>4</u>	<u>0.37</u>
Littering-Snack Packs	<u>5</u>	<u>0.46</u>
Littering-Soft Drink Bottle	<u>6</u>	<u>0.55</u>
Littering-Soft Drink Can	<u>6</u>	<u>0.55</u>
Littering-Sweet Wrapper	<u>5</u>	<u>0.46</u>
PSPO-Dog Fouling (PSPO)	<u>9</u>	<u>0.83</u>
PSPO-Dogs on Leads	<u>1</u>	<u>0.09</u>
Smoke Free (Place)-Cigarette (P)	<u>7</u>	<u>0.64</u>
Smoke Free (Place)-Rolled Up Cigarette (P)	<u>3</u>	<u>0.28</u>
Smoke Free (Place)-Rolled Up Cigarette (V) - Mini Bus	<u>3</u>	<u>0.28</u>
Smoke Free (Premises)-Cigarette (PR)	<u>1</u>	<u>0.09</u>
Smoke Free (Premises)-Rolled Up Cigarette (PR)	<u>2</u>	<u>0.18</u>
Smoke Free (Vehicle)-Cigar (V) - Company Vehicle	<u>3</u>	<u>0.28</u>
Smoke Free (Vehicle)-Cigar (V) - Hackney Taxi	<u>1</u>	<u>0.09</u>
Smoke Free (Vehicle)-Cigar (V) - Large Good Vehicle	<u>1</u>	<u>0.09</u>
Smoke Free (Vehicle)-Cigar (V) - Van	<u>5</u>	<u>0.46</u>
Smoke Free (Vehicle)-Cigarette (V) - Company Vehicle	<u>13</u>	<u>1.19</u>

Smoke Free (Vehicle)-Cigarette (V) - heavy goods vehicle	<u>3</u>	<u>0.28</u>
Smoke Free (Vehicle)-Cigarette (V) - Large Good Vehicle	<u>14</u>	<u>1.28</u>
Smoke Free (Vehicle)-Cigarette (v) - Mini Bus	<u>1</u>	<u>0.09</u>
Smoke Free (Vehicle)-Cigarette (V) - Private Hire Taxi	<u>1</u>	<u>0.09</u>
Smoke Free (Vehicle)-Cigarette (V) - Van	<u>22</u>	<u>2.02</u>
Smoke Free (Vehicle)-Rolled Up Cigarette - Heavy Goods Vehicle	<u>6</u>	<u>0.55</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Company Vehicle	<u>7</u>	<u>0.64</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Heavy Goods Vehicle	<u>1</u>	<u>0.09</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Large Goods Vehicle	<u>4</u>	<u>0.37</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Private Hire Taxi	<u>1</u>	<u>0.09</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Van	<u>4</u>	<u>0.37</u>
Total:	1090	

FPN ISSUED AFTER CANCELLATION 1090

FPN PAID 779

PAYMENT RATE 71%

DISTRICT ENFORCEMENT 2021

1ST JAN-31ST AUG

Offence Type	Offence Type Count	Percentage
Littering-Chewing Gum	<u>3</u>	<u>0.41</u>
Littering-Cigar	<u>3</u>	<u>0.41</u>
Littering-Cigarette Butt	<u>548</u>	<u>74.56</u>
Littering-Fast Food Related	<u>1</u>	<u>0.14</u>
Littering-Food Wrapper	<u>1</u>	<u>0.14</u>
Littering-Other Litter	<u>12</u>	<u>1.63</u>
Littering-Packaging	<u>8</u>	<u>1.09</u>
Littering-Rolled up cigarette	<u>55</u>	<u>7.48</u>
Littering-Sweet Wrapper	<u>1</u>	<u>0.14</u>
PSPO-Dog Fouling (PSPO)	<u>5</u>	<u>0.68</u>
PSPO-Dogs Exclusion Zones	<u>1</u>	<u>0.14</u>
PSPO-Dogs on Leads	<u>2</u>	<u>0.27</u>
Smoke Free (Place)-Cigarette (P)	<u>8</u>	<u>1.09</u>
Smoke Free (Place)-Rolled Up Cigarette (P)	<u>3</u>	<u>0.41</u>
Smoke Free (Premises)-Cigarette (PR)	<u>5</u>	<u>0.68</u>
Smoke Free (Premises)-Rolled Up Cigarette (PR)	<u>3</u>	<u>0.41</u>
Smoke Free (Vehicle)-Cigar (V) - Van	<u>2</u>	<u>0.27</u>
Smoke Free (Vehicle)-Cigarette (V) - Company Vehicle	<u>13</u>	<u>1.77</u>
Smoke Free (Vehicle)-Cigarette (V) - Hackney Taxi	<u>1</u>	<u>0.14</u>
Smoke Free (Vehicle)-Cigarette (V) - heavy goods vehicle	<u>1</u>	<u>0.14</u>
Smoke Free (Vehicle)-Cigarette (V) - Large Good Vehicle	<u>4</u>	<u>0.54</u>
Smoke Free (Vehicle)-Cigarette (V) - Private Hire Taxi	<u>2</u>	<u>0.27</u>
Smoke Free (Vehicle)-Cigarette (V) - Van	<u>40</u>	<u>5.44</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Company Vehicle	<u>1</u>	<u>0.14</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Heavy Goods Vehicle	<u>1</u>	<u>0.14</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Private Hire Taxi	<u>2</u>	<u>0.27</u>
Smoke Free (Vehicle)-Rolled Up Cigarette (V) - Van	<u>9</u>	<u>1.22</u>
Total:	735	

FPN'S ISSUED 735 FPN'S PAID (TO DATE) 397 PAYMENT RATE 54%

Subject:	Release of a restrictive covenant on land at Station Rd, Whitworth	Status:	For Publication
Report to:	Cabinet	Date:	13 th October 2021
Report of:	Director of Economic Development	Portfolio Holder:	Resources
Key Decision:	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Lucie Greenwood	Telephone:	01706 252521
Email:	luciegrenwood@rossendalebc.gov.uk		

1.	RECOMMENDATION
1.1	Cabinet to authorise the release of a restrictive covenant placed on land at Station Rd, Whitworth (see map within Appendix I) to allow the land to be used for the purpose of residential development. Terms to be delegated to the Director of Economic Development in consultation with the portfolio holder.

2. PURPOSE OF REPORT

2.1 The purpose of this report is to request approval in order to proceed with the release of a restrictive covenant placed on land at Station Rd, Whitworth (see map within Appendix I) to allow the land to be used for the purpose of residential development.

3. BACKGROUND

3.1 The site was originally sold in 1991 by Rossendale Borough Council (RBC) with a covenant attached restricting the use of the land to light engineering.

3.2 In 2007, the aforementioned restriction was amended, allowing the land to also be used for the purpose of warehousing /storage (category B8). The site was then occupied by local manufacturing business Slingco until 2020, when they moved to a purpose built unit at New Hall Hey, Rawtenstall in order to aid their expansion.

3.3 Following Slingco's departure, the site at Whitworth was advertised for sale with minimal interest. It is now in the process of being sold to a Residential Developer with the intention of the site being developed for housing. As such, there is a requirement to further release the above-mentioned restrictive covenant to allow the land to be used for the purpose of residential development.

3.4 Property are aware that the proposed developers have submitted a planning application ([2021/0271 | Full: Demolition of employment unit and erection of 38 no. dwellings \(affordable social rent\) with access, parking, landscaping and all other associated works | Slingco Ltd Station Road Facit Rochdale Lancashire OL12 8LJ \(rossendale.gov.uk\)](#)). The application is to demolish the existing unit and build 38 dwellings, including affordable social rent, with access, parking, landscaping and all other associated works. This planning application is entirely separate to the covenant release request.

3.5 To ensure due diligence, an independent RICS accredited valuation has been undertaken to assess the value of the proposed covenant release to enable residential development (see appendix II). The value has been determined at £15,000.00.

3.6 Taking into account any wider implications of a covenant release, it is important to note that the Council own a strip of land adjoining the site (see map within Appendix III). This land includes a section of the River Spodden that flows into a Culvert.

The Environment Agency (EA), an executive non-departmental public body, sponsored by the Department for Environment, Food & Rural Affairs, have commented on any potential impact that development of the adjoining land for residential purposes may have including any residual risks associated with blockage of the culvert. In response, the developer has provided overland flood flow plans noting overland flow routes in the event of any blockage or capacity exceedance of the adjacent river. In addition, a 4m offset from the river has been included within the plans to ensure a satisfactory area free of gardens, fencing or structures.

4. RISK

4.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

- Without release of the covenant the land cannot be developed for the purpose of residential use. The owner would therefore need to consider alternative future use.
- The potential use of the land is expanded to include residential. Development will be subject to planning consent and the agreement to release the covenant is entirely separate to this.
- The risk that the development of the land for the purpose of residential use has an impact on the adjoining river and Culvert. This possibility has been considered by the EA and the risk will be mitigated by overland flow routes and a 4m offset.

5. FINANCE

5.1 The release of the covenant will generate a capital receipt of £15k for the Council.

6. LEGAL

6.1 The legal implications are covered within the body of the report. All necessary legal documentation will be completed if members are minded to approve the recommendations. The Council's legal fees associated with this transaction will be covered by the applicant.

7. POLICY AND EQUALITIES IMPLICATIONS

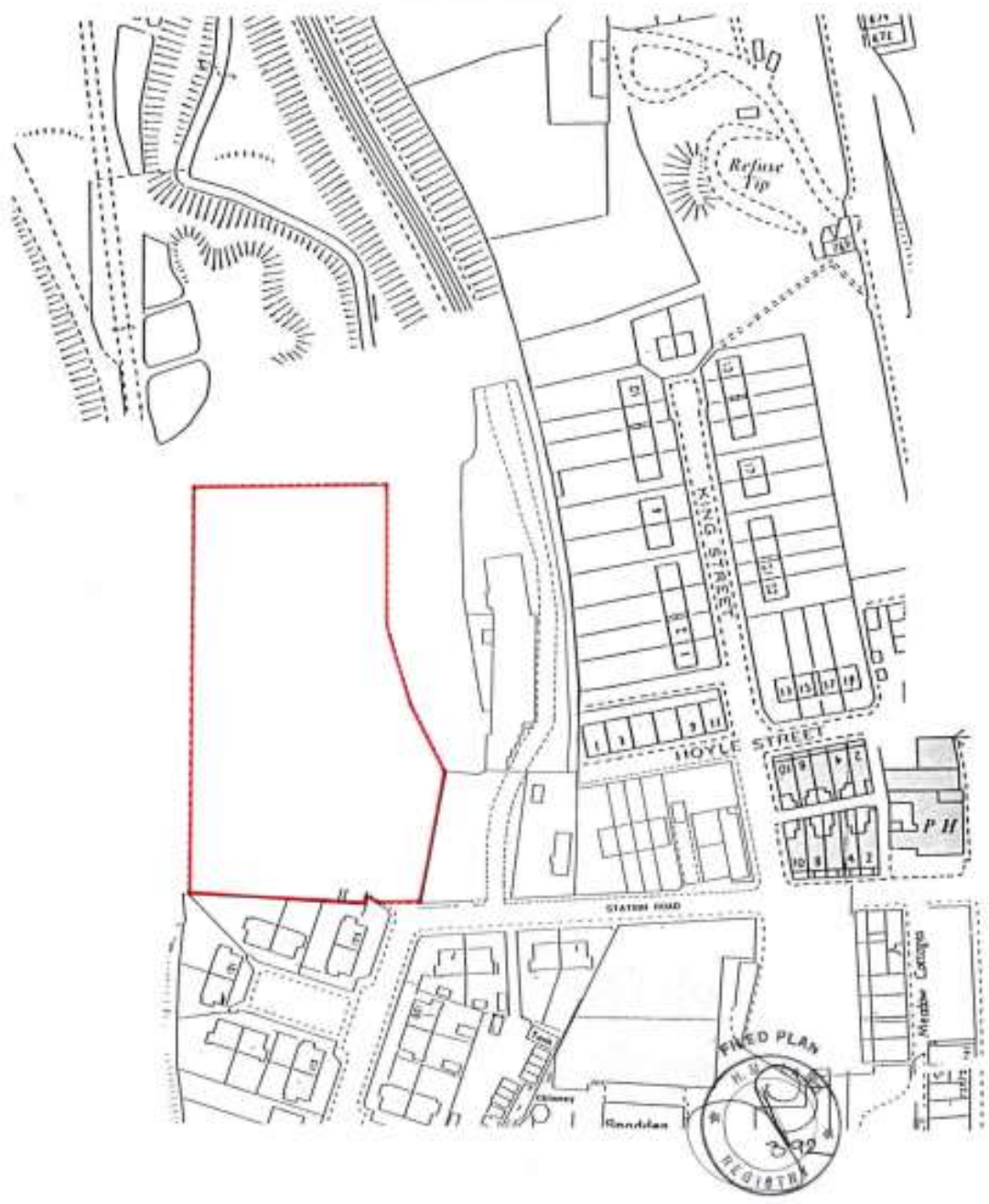
7.1 No Human Resources Implications Arising from the report.

8. CONCLUSION

8.1 The release of the restrictive covenant at £15,000 allows alternative future use (subject to planning permission being granted) of an advertised site owned by a local business. Any agreement to release would be on the basis that the works required by the EA are completed.

Background Papers	
Document	Place of Inspection
Appendix I	<i>Map of site</i>
Appendix II	<i>RICs Valuation</i>

Appendix I – Land at Station Rd Site Map



PROPERTY VALUATION REPORT



**FORMER WORKS OF SLINGCO LIMITED
STATION ROAD
FACIT
WHITWORTH
ROCHDALE
OL12 8LJ**

IDENTIFICATION AND STATUS OF VALUER Richard B Prest
MRICS
Registered Valuer

Lea Hough & Co LLP

CONFLICT OF INTEREST We have assessed our records and can confirm that neither the Partners or individual Valuer undertaking the valuation have any prior involvement with either the Property or the proposed parties to the transaction for which this valuation may be relevant to negotiations.

The Valuer is acting as an independent and objective external Valuer.

CLIENT AND OTHER USERS The report is being prepared solely for the named Client as stated below:

Client Name	Rossendale Borough Council
Address	Futures Park Bacup Rossendale OL13 0BB
Contact	Lucie Greenwood – LucieGreenwood@rossendalebc.gov.uk

The report should not be relied upon by any other third party.

PROPERTY TO BE VALUED "SUBJECT PROPERTY" The Property to be valued is:

Address of Property	Former Works of Slingco Limited Station road Facit Whitworth Rochdale OL12 8LJ
Interest to be valued	Assumed to be Freehold
Tenancies	None – vacant possession on completion

PURPOSE OF VALUATION The purpose of the valuation is to advise the Client as to the Valuer's opinion of the current market value of the "Subject Property" in connection with the appropriate consideration to release covenants which are beneficial to the named client.

The property is subject to a covenant to use the property for employment uses whereas the current owners desire to sell the property without the encumbrance for residential development purposes.

The report is provided to the Client for information and does not constitute

advice as to whether the proposed transaction/process should be completed or otherwise.

INSPECTION DATE May 2021

VALUATION DATE IF DIFFERENT FROM INSPECTION DATE May 2021

TYPE AND USE OF PROPERTY Vacant, most recently used as manufacturing premises with ancillary office stores and car park – an overall curtilage of 1.6 acres or thereabouts. Proposed use demolition and redevelopment for residential purposes.

LOCATION The premises are located in a valley bottom location between the more established employment centres of Bacup to the north and Rochdale to the south.

This is a typical Pennine Valley landscape with ribbon development along the full length of the main road which connects these two employment areas and the smaller communities of Whitworth, Shawforth etc.

The current factory curtilage adjoins an area of a former quarry activity on the hillside above. This has now been landscaped and is, in part, covered with a mature conifer plantation.

On other sides, the property adjoins a residential development of mid to late 20th Century origins with older terraced housing to the east and some commercial premises of mixed eras close by.

The history of the subject site is that it was originally part of a railway sidings/goods yard area with railway repair workshop.

A watercourse adjoins the easterly boundary of the site but this was diverted from its original position from the centre of the site a century or more ago.

The immediate environment is changing from mixed residential/commercial to predominantly residential as employment uses gravitate towards good motorway connections on the south/east side of Rochdale – the M62/M60 corridor.

Facit, a small community in the valley bottom, is within an easy hour's commuting distance of Manchester City Centre close to the Lancashire Yorkshire border within a typical Pennine valley landscape.

DESCRIPTION The current factory which would appear to be of mid-to late 20th Century construction refurbished in 2007.

Construction

Principal works base of concrete portal framed construction, re-clad in 2007 with insulated upper surface of uPVC coated steel profiled cladding originally built circa 1950. Principal floor area 11203 ft².

Secondary self contained workshop steel portal framed construction retrospectively insulated but with original asbestos cement roof cladding/covering, principal floor area 2000 ft², ancillary single storey flat roofed rendered accommodation principally offices, small canteen, toilets, stores, computer server room, etc – floor area 3280 ft².

Outside

Surfaced hardstanding on three sides of the building, an area used as storage with portable steel containers (10 in total), large unsurfaced grassed area on west/north west side, overall curtilage 1.5 acres. Building complex central to the plot.

Site History

Advised this was a former railway repair workshop – railway dismantled some time ago. Original site included water course/river which was diverted down the east side to run just outside the boundary thus presumably filled ground. Large quarry on the west side on the uphill side of the valley now landscaped – a public amenity/access area.

Residential Development Potential

Facit is a small self-contained community on the route between Rochdale and Bacup – a long valley road with a ribbon development along its length with a number of small self-contained communities, Shawforth, Whitworth, Facit, etc. Reasonably popular residential location though general surroundings are of inter-war council housing and some mid to late 20th Century private development – predominantly bungalows/dormer bungalows. Older terraced housing close by (former mill housing associated with the industrial heritage of the area which has decreased in recent decades as employment uses gravitate towards more accessible motorway corridor locations).

Planning

Currently allocated as employment land in the Local Plan and indeed retained as such in the emerging Local Plan. However, within the urban boundary and therefore prospects for development subject to assessment of housing numbers and delivery (local planning authorities five year supply uncertain).

From the point of view of residential development I have assumed that ground conditions are not an abnormal expenditure issue and the site can be developed in isolation without requiring any third party land ownerships. Thus from a residential development point of view assumed to be relatively assured that planning consent will be granted.

TOTAL FLOOR AREA	16484 ft ² (1532 m ²)
SITE AREA	1.7 acres (0.68 hectares) as shown edged red on the attached Land Registry Title Plan.
GENERAL COMMENTS	Existing use condition satisfactory, no significant wants of repair. The buildings were substantially refurbished in 2007 with the majority of the external woodwork replaced in uPVC incorporating double glazing to

windows etc. From a residential development point of view no significant adverse/abnormal expenditure assumed to be required.

BASIS OF VALUATION

Unless otherwise specifically agreed in writing the value advised by the Valuer shall be in accordance with one or more of the following definitions:

Market Value

The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

SPECIAL ASSUMPTIONS

A special assumption is where a Valuer is asked to assume facts that differ from those existing at the valuation date or that would not be made by a typical party interested in the Property at the valuation date.

The type of Property is as described in the Report and unless advised otherwise by the Client the Valuer will assume the Client's proposed use of the Property is one for which the Property has already or previously been used or for which planning permission has been granted.

No other special assumptions will be made unless specifically requested by the Client.

As previously indicated, it is assumed that Planning Permission will be forthcoming for residential redevelopment of the property and with a fall back position that employment use can continue without breaching the Restrictive Covenant referred to.

ASSUMPTIONS AND EXTENT OF INVESTIGATIONS

General

Inspections and investigations have been carried out to the extent necessary to produce a valuation which is suitable for its purpose. Where valuations have to be made on restricted information, the nature of the restrictions will be set out in the acknowledgement letter and the report.

Subject to the below, we have made certain assumptions in relation to facts, conditions or situations affecting the subject of, or approach to, our valuations that we have not verified as part of the valuation process, but have treated them as a 'supposition taken to be true'. In the event these assumptions prove to be incorrect then our valuation will need to be reviewed.

Title

The Valuer has assumed that the Subject Property is freehold or long leasehold and benefits from good Title that is free from any encumbrance that may affect the value, other than the restriction as to use which is the purpose of our assessment.

The Valuer has not inspected the Title Deeds or undertaken any local searches.

Condition of the Building

The Valuer has not undertaken a Building Survey or inspected those parts of the Subject Property which are covered, unexposed or inaccessible. The Valuer has highlighted any significant defects that they became aware of during the inspection. Any matters that are considered material to the valuation are referred to in the report.

Our valuation assumes that:

- Except for any defects specifically noted in our report, the Property is in good condition;
- No construction materials have been used that are deleterious, or likely to give rise to structural defects;
- No hazardous materials are present;
- All relevant statutory requirements relating to use or construction have been complied with; and

The extent of the Valuer's inspection is set out in the following sub-section "Limitations of Inspection". The Valuer has undertaken investigations as he considers appropriate to verify assumptions, special assumptions and reservations.

Services

The Valuer has assumed that all provided services are in working order and free from defect. No inspection shall be made of any service installations. No drainage inspection covers will be lifted.

Should the Client require specific commentary on the condition of the services then the Valuer recommends that the Client appoints a suitably qualified (Mechanical and Electrical) engineer to comment as appropriate.

Planning

The Valuer has assumed that that the Property is used/to be used for a lawful purpose.

The valuation assumes that the Property is not adversely affected, nor is likely to become adversely affected, by any highway, development or other scheme/proposal and that there are no matters adversely affecting value that might be revealed by a local search, replies to enquiries or by any statutory notice.

Highways and Mains Services

In preparation of the report, the Valuer has assumed that the Subject Property is connected to highways and services that are adopted and maintained by the relevant authorities.

Contamination

In preparation of the report, the Valuer has assumed that no contaminative or potentially contaminative uses have been carried out on the Subject Property or neighbouring properties and the Subject Property is not affected by contamination, hazardous or deleterious materials.

The Valuer has assumed that the Subject Property has not been constructed using dangerous or potentially harmful materials.

Environmental

The report assumes that the Subject Property is not adversely affected by the following environmental factors and the Valuer has not commented or specifically investigated the following:

- Mining
- Flooding
- Radon Gas

Sustainability

The report does not comment specifically on matters such as energy efficiency, life cycle costs and use of materials.

SOURCE OF INFORMATION	Valuer's archive and readily available price information websites – Rightmove, Costar, etc.
RESTRICTIONS ON PUBLICATION	The valuation report shall not be disclosed or released to any third party without the prior consent of the Valuer.
THIRD PARTY LIABILITY	No liability will be accepted for any statement or the contents of the Valuation Report to any third party without specific authorisation from the Valuer.
RICS VALUATION STANDARDS (AND DEPARTURES FROM THESE STANDARDS)	The Valuation and Report will be prepared in accordance with the RICS Valuation – Global Standards 2020.
METHOD OF VALUATION	Market Approach
MARKET COMMENTARY	<u>Employment Use Market</u> There is a demand for small workshop/nursery units for which the subject site is reasonably appropriate as demonstrated by previous agreement for

sale on this basis.

Residential Development Market

The uncertainty over the Greater Manchester spatial strategy and combined policies for the metropolitan boroughs surrounding Manchester have generated significant pressure on developers keen to exploit the strong residential house market in the North West emerging from central Government's North West powerhouse strategy. This pressure is discernible in strong demand for residential development sites of all types, sizes and tenure with particularly strong bids being made by registered housing provider partners supported by grant finance from Homes England and private equity funders.

SUMMARY OF KEY INPUTS INTO THE VALUATION AND REASONING

1. Readily developable self-contained site adjoining mixed era residential.
2. Reasonable access/demand for existing use either a single factory unit or sub-division and further development on under developed areas to the north and west.
3. Reasonably good access from valley main road south to Rochdale M62 corridor – 6½ miles.

VALUATION (£ numbers and words)

1. Valuation on the basis of existing use (employment use) – £645,000 (Six Hundred and Forty Five Thousand Pounds).
2. Valuation on the basis of residential development potential – £675,000 (Six Hundred and Seventy Five Thousand Pounds).
3. Valuation of restrictive covenant (current restrictive covenant limits use to employment uses and warehousing) on the basis of an equitable split of the difference in value between existing use and residential development Value of covenant, in my opinion is £15,000 (Fifteen Thousand Pounds).

MARKET UNCERTAINTY

The outbreak of the Novel Coronavirus (Covid-19) declared by the World Health Organisation as a Global Pandemic on the 11th March 2020 has impacted the Global Financial Markets. Travel restrictions have been implemented by many countries and continue. Market activity is being impacted in some sectors.

Despite the pandemic that impacted the UK, by the first major lockdown in March 2020 there has been notable activity within the marketplace particularly during the summer of 2020 where there was a surge in demand. The market is obviously volatile and the third lockdown announced by the UK Government in January 2021 had the effect of slow market activity but without any apparent impact on sales prices across the region.

The March 2021 RICS UK Residential Survey results show sales market activity picking up sharply over the month, with indicators on enquiries, sales and new instructions all improving noticeably compared to last time out. Survey participants highlight the extension of the Stamp Duty holiday as a

significant driving force behind this renewed momentum, while a gradual loosening in lockdown restrictions is also said to be contributing to the rise in activity.

At the national level, a net balance of +42% of respondents cited an increase in new buyer enquiries during March. This is up from a reading of zero previously and marks the strongest return since September last year. Alongside this, new instructions coming onto the market also improved, albeit the pace of growth (in net balance terms) was not enough to match the pick-up in demand reported. Indeed, a common theme running through the comments left by contributors is that demand is running ahead of supply, and more new instructions will be needed to balance the market going forward. On that front, a net balance of +29% of respondents noted that appraisals were up on the same period last year (a turnaround on a reading of -19% in February), suggesting more new instructions should be in the pipeline over the next few months.

Agreed sales rose firmly during March, evidenced by a net balance of +50% of contributors reporting an increase. This marks a sharp acceleration compared to last month (net balance +7%) and is in fact the strongest reading since August last year. Looking ahead, near term sales expectations rose noticeably to post a net balance of +35%, up from a figure of +9% in February. What's more, the near term sales outlook is now the most upbeat since January 2020 with sales expectations positive across all parts of the UK. That said, this rise in sales looks set to be concentrated over the next few months, with the twelve month expectations series consistent with more modest growth in sales further ahead.

With regards to house prices, a net balance of +59% of respondents cited an increase at the national level over the latest survey period. This indicator has now risen slightly in each of the last two months, although the latest reading is still slightly below the recent high of +66% posted back in October last year. In terms of the regional breakdown, prices are reportedly rising across all regions/countries of the UK, with the strongest momentum signalled by respondents in the North West, Yorkshire and the Humber, as well as Northern Ireland.

Given the recent excess of demand over supply, prices are expected to continue on a firmly upward trajectory over the coming three months. At the headline level, a net balance of +42% of survey participants expect prices to rise further in the near term, up from a reading of +16% previously. At the twelve month horizon, a net balance of +60% of contributors nationally anticipate higher prices in a year's time (an increase of +46% returned last month). Twelve month price expectations are now pointing to significant growth across all parts of the UK, led by particularly elevated readings in Wales, Scotland and Northern Ireland.

As at the valuation date we consider that we can attach less weight to previous market evidence for comparison purposes, to inform opinions of value. Indeed, the current response to Covid-19 means that we are faced

with in an unprecedented set of circumstances on which to base a judgement.

Our valuation is therefore reported on the basis of 'material valuation uncertainty' as per VPS3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty - and a higher degree of caution - should be attached to our valuation than would normally be the case. Given the unknown future impact Covid-19 might have on the real estate market, we recommend that you keep the valuation of [this property] under frequent review.

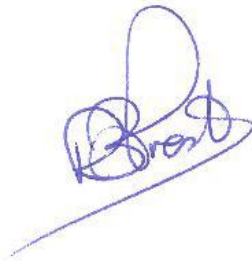
LIMITATIONS OF LIABILITY

1. Neither our inspection nor this Report is a survey and it should not be read as such. Reference to defects is limited to those which are notable, evident from superficial inspection and relevant in arriving at the valuation figure.
2. The inspection undertaken is not;
 - 1) A detailed schedule of defects
 - 2) An asbestos survey
 - 3) A building survey or structural survey
 - 4) An energy performance certificate inspection/assessment
 - 5) A schedule of condition
 - 6) A ground conditions investigation or assessment of ground conditions.
3. The inspection will not involve any testing of services or connections such as electricity, gas, water or drainage including cess pit or septic tank.

Name of Valuer

Richard B Prest

Signed



For and on behalf of

LeaHough

CHARTERED SURVEYORS

Survey Valuation Design Planning Sales

Oakshaw House, 2 Capricorn Park, Blakewater Road, Blackburn, BB1 5QR.

01254 260196

Blackburn@leahough.co.uk

www.leahough.co.uk

Date of Report

25th May 2021

APPENDIX A

Photographs



North west facing elevation.



West facing elevation.



North west facing corner of buildings.



Recent ground investigation disturbance.



Undeveloped west area.



Undeveloped west area.



North facing elevation.



Container yard area.



Container yard area.



West side of site.



North west end of site.



West side of site.



Front car park.



Car parking along east boundary and entrance.



Car park alongside east boundary.



East facing elevation.



Front from east.



Car park to south end.



Front elevation from the west.



Rear undeveloped part of site.

APPENDIX B

Land Registry Title Plan

H.M. LAND REGISTRY

TITLE NUMBER

LA692841

ORDNANCE SURVEY
PLAN REFERENCE

SD 8819

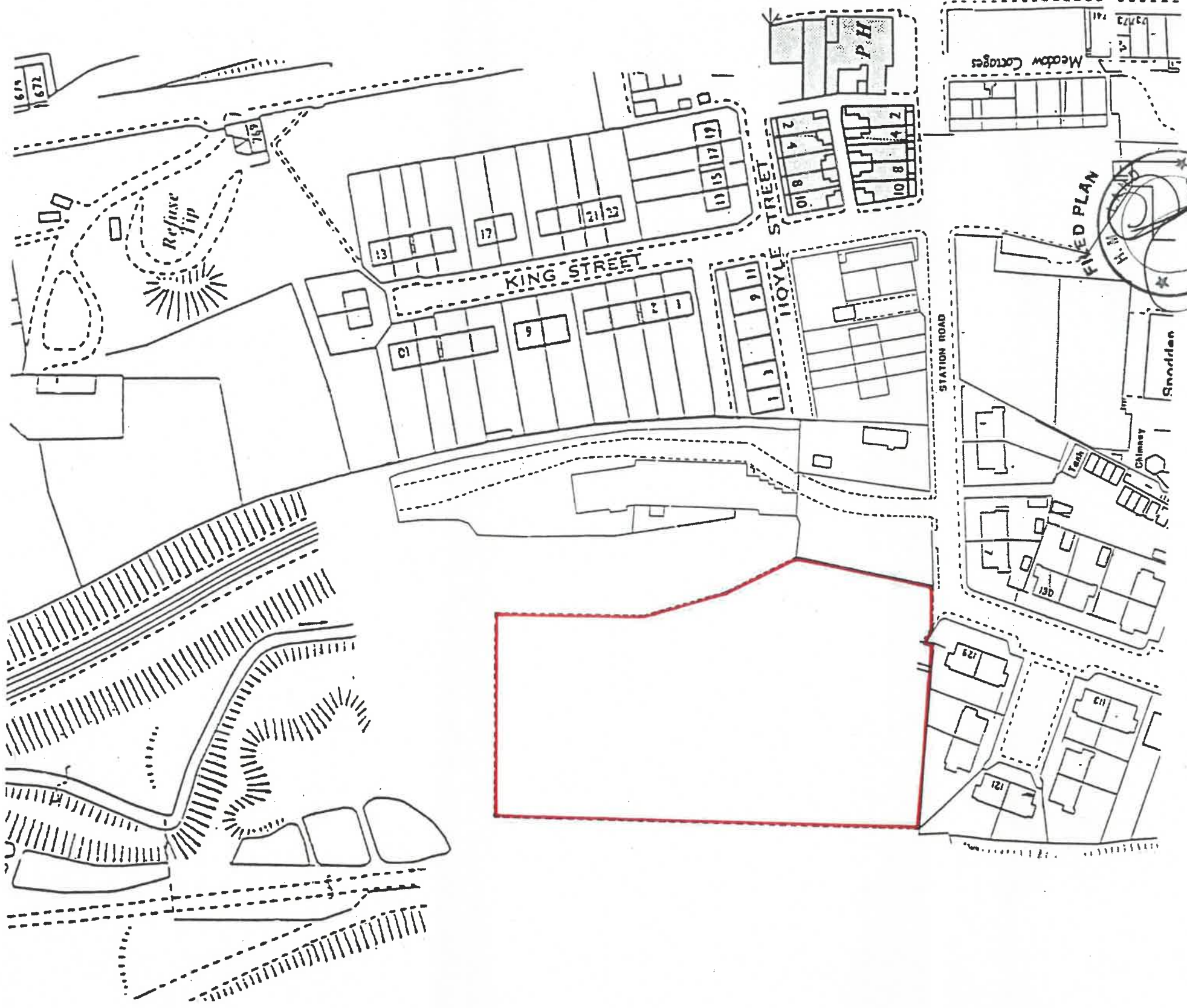
Scale
1/1250

COUNTY LANCASHIRE

ROSSENDALE DISTRICT

© Crown Copyright

The boundaries shown by dotted lines have been plotted from the plans on the deeds. The title plan may be updated from later survey information.



APPENDIX C

Terms of Engagement

TERMS OF ENGAGEMENT FOR PROPERTY VALUATION REPORT

IDENTIFICATION AND STATUS OF THE VALUER	<p>Richard B Prest MRICS Registered Valuer</p> <p>We confirm that the instructed firm and individual Valuer have the appropriate technical competence and experience for the valuation of the Subject Property within the area in which the Property is located and the wider region generally as confirmed in the Report.</p> <p>In the event the named Valuer is not available to carry out the inspection and report, a suitably qualified Lea Hough Partner or employee will undertake the work. You will be advised of any changes in advance of the work being undertaken.</p>
CONFLICT OF INTEREST	<p>We have assessed our records and can confirmed that neither the Partners or individual Valuer undertaking the valuation have any prior involvement with either the Property or the proposed parties to the transaction for which this valuation may be relevant to negotiations.</p> <p>The Valuer who will undertake the valuation is acting as an independent and objective external Valuer.</p>
CLIENT AND ANY OTHER USERS	<p>The report is being prepared solely for the named Client as stated below.</p> <p>Client Name Rossendale Borough Council</p> <p>Address Futures Park Bacup Rossendale OL13 0BB FAO Lucie Greenwood Email: LucieGreenwood@rossendalebc.gov.uk</p> <p>The report should not be relied upon by any other third party.</p>
PROPERTY TO BE VALUED "SUBJECT PROPERTY"	<p>The property to be valued is:</p>

	<p>Address of the property Former Works of Slingco Limited Station Road Facit Whitworth Rochdale OL12 8J</p> <p>Interest to be valued Assumed to be Freehold</p> <p>Tenancies, if any For tenanted property the valuation will not take into account any covenant strength, tenant's improvements or potential compensation that may be due as a consequence of such improvements.</p>
FEE	<p>The fee for providing the Valuation Report is:</p> <p>£450 plus VAT</p> <p>The instructed firm and Valuer reserve the right to request pre-payment of the fee before undertaking the valuation inspection and/or releasing the Valuation Report.</p>
PURPOSE OF VALUATION	<p>The purpose of the valuation is to advise the Client as to the Valuer's opinion of the current market value of the "Subject Property" in connection with the appropriate consideration to release covenants which are beneficial to the named client.</p> <p>The property is subject to a covenant to use the property for employment uses whereas the current owners desire to sell the property without the encumbrance for residential development purposes.</p> <p>The report is provided to the Client for information and does not constitute advice as to whether the proposed transaction/process should be completed or otherwise.</p>
BASIS OF VALUE	<p>Unless otherwise specifically agreed in writing the value advised by the Valuer shall be in accordance with one or more of the following definitions:</p> <p>Market Value</p> <p>The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a will seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.</p>
CURRENCY	All monetary values will be quoted in Pounds Sterling (£).
VALUATION DATE	The date of Valuation Assessment is the date of the inspection of the Property unless otherwise agreed.

<p>SPECIAL ASSUMPTIONS</p>	<p>A special assumption is where a Valuer is asked to assume facts that differ from those existing at the valuation date or that would not be made by a typical party interested in the Property at the valuation date.</p> <p>The type of Property is as described in the Report and unless advised otherwise by the Client the Valuer will assume the Client's proposed use of the Property is one for which the Property has already or previously been used or for which planning permission has been granted.</p> <p>No other special assumptions will be made unless specifically requested by the Client.</p> <p>As previously indicated, it is assumed that Planning Permission will be forthcoming for residential redevelopment of the property and with a fall back position that employment use can continue without breaching the Restrictive Covenant referred to.</p>
<p>ASSUMPTIONS AND EXTENT OF INVESTIGATIONS AND ANY LIMITATIONS ON THE SCOPE OF WORK</p>	<p>General</p> <p>Inspections and investigations will be carried out to the extent necessary to produce a valuation which is suitable for its purpose. Where valuations have to be made on restricted information, the nature of the restrictions will be set out in the acknowledgement letter and the report.</p> <p>Subject to the below, we will make certain assumptions in relation to facts, conditions or situations affecting the subject of, or approach to, our valuations that we will not verify as part of the valuation process, but treat them as a 'supposition taken to be true'. In the event these assumptions prove to be incorrect then our valuation will need to be reviewed.</p> <p>Title</p> <p>Unless advised otherwise by the Client, the Valuer will assume the Subject Property is freehold or long leasehold and benefits from good Title that is free from any encumbrance that may affect the value.</p> <p>The Valuer will not inspect the Title Deeds unless specifically requested to do so by the Client and they are provided to him for such purposes.</p> <p>Condition of the Building</p> <p>The Valuer will not carry out a Building Survey or inspect those parts of the Subject Property which are covered, unexposed or inaccessible. The Valuer will however highlight any significant defects that they become aware of during the inspection. Any matters that are considered material to the valuation will be referred to in the report.</p> <p>Our valuation will assume that:</p> <ul style="list-style-type: none"> • Except for any defects specifically noted in our report, the Property is in

good condition;

- No construction materials have been used that are deleterious, or likely to give rise to structural defects;
- No hazardous materials are present;
- All relevant statutory requirements relating to use or construction have been complied with; and

The extent of the Valuer's inspection is set out in the following sub-section "Limitations of Inspection". The Valuer will undertake investigations as he considers appropriate to verify assumptions, special assumptions and reservations.

Services

The Valuer will assume that all provided services are in working order and free from defect. No inspection shall be made of any service installations. No drainage inspection covers will be lifted.

Should the Client require specific commentary on the condition of the services then the Valuer recommends that the Client appoints a suitably qualified (Mechanical and Electrical) engineer to comment as appropriate.

Planning

The Valuer will assume that that the Property is used/to be used for a lawful purpose.

The valuation assumes that the Property is not adversely affected, nor is likely to become adversely affected, by any highway, development or other scheme/proposal and that there are no matters adversely affecting value that might be revealed by a local search, replies to enquiries or by any statutory notice.

Highways and Mains Services

In preparation of the report, the Valuer will assume that the Subject Property is connected to highways and services that are adopted and maintained by the relevant authorities.

Contamination

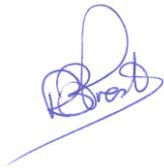
In preparation of the report, the Valuer will assume that no contaminative or potentially contaminative uses have been carried out on the Subject Property or neighbouring properties and the Subject Property is not affected by contamination, hazardous or deleterious materials.

The Valuer will assume that the Subject Property has not been constructed using dangerous or potentially harmful materials.

	<p>Environmental</p> <p>The report will assume that the Subject Property is not adversely affected by the following environmental factors and the Valuer will not comment or specifically investigate the following unless requested to do so by the Client:</p> <ul style="list-style-type: none"> • Mining • Flooding • Radon Gas <p>Sustainability</p> <p>The report will not comment specifically on matters such as energy efficiency, life cycle costs and use of materials.</p>
SOURCE OF INFORMATION	<p>Where the Valuer has no personal knowledge of facts and information provided by the parties and has relied upon this information in formulating an opinion as to value, the Valuer will state the source of such facts and information within the body of the Report.</p> <p>Valuer's archive and readily available price information websites - Rightmove, Costar etc.</p>
RESTRICTIONS ON PUBLICATION	<p>The valuation report shall not be disclosed or released to any third party without the prior consent of the Valuer.</p>
THIRD PARTY LIABILITY	<p>No liability will be accepted for any statement or the contents of the Valuation Report to any third party without specific authorisation from the Valuer.</p>
RICS VALUATION STANDARDS (AND DEPARTURES FROM THOSE STANDARDS)	<p>The Valuation and Report will be prepared in accordance with the RICS Valuation - Global Standards 2020.</p>
DESCRIPTION OF REPORT	<p>The report will comply with the requirement for minimum content of VPS 3.2.</p>
COMPLAINTS	<p>The firm operates a Complaints Handling Procedure in accordance with RICS guidelines. A copy is available upon request. The firm is also a member of The Property Ombudsman (www.tpos.co.uk).</p>
RICS MONITORING	<p>The firm and valuer are registered with RICS Valuer Registration. Please note that our files may be subject to monitoring under the institution's conduct and disciplinary regulations.</p>
LIMITATIONS ON LIABILITY	<ol style="list-style-type: none"> 1. Neither our inspection nor this Report is a survey and it should not be read as such. Reference to defects is limited to those which are notable, evident from superficial inspection and relevant in arriving at the valuation figure. 2. The inspection undertaken is not; <ol style="list-style-type: none"> 1) A detailed schedule of defects 2) An asbestos survey

	<p>3) A building survey or structural survey 4) An energy performance certificate inspection/assessment 5) A schedule of condition 6) A ground conditions investigation or assessment of ground conditions.</p> <p>3. The inspection will not involve any testing of services or connections such as electricity, gas, water or drainage including cess pit or septic tank.</p>
<p>TERMS OF BUSINESS</p>	<p>Cancellation</p> <p>The client will be entitled to cancel this contract by notifying the Valuer's office at any time before the date of the proposed inspection.</p> <p>The Valuer will be entitled not to proceed with the provision of the valuation (and will so report promptly to the client) if, after arriving at the Property, he or she concludes; a) that it is of a type of construction of which he or she has insufficient specialist knowledge to be able to provide the service in a satisfactory manner or b) that it would be in the client's best interests to be provided with a more detailed type of inspection report, a valuation assessment or detailed survey.</p> <p>In the case of cancellation, the Valuer will refund any money paid by the client for the service deducting expenses reasonably incurred to the date of the cancellation notification. In the case of cancellation by the Valuer the reason will be explained to the client as soon as practically possible.</p>

We accept these terms of engagement as an accurate summary of the instructions to provide a valuation.



Signed.....
(Firm)

Signed
(Client)

For and on behalf of

For and on behalf of
(Client)

LeaHough
CHARTERED SURVEYORS

Dated 24.05.21

Dated

APPENDIX D

Comparables

Direct sales comparables due to physical features, scale and size etc. difficult to isolate but the following offer an indication as to the tone of value of the locality on the alternative basis of valuation, i.e. residential development and current existing employment use.

Existing Use Comps

Property	Description	Date of Sale	Use	Size (sq.ft)	Sale Price	£ per sq.ft.
Irwell House - Atherton Way	Single storey unit comprising industrial warehouse accommodation. Constructed in a steel portal frame with a profile steel cladding.	9th February 2021	Industrial	12,215	£337,500	£27.63
Percy Street Works, Bury, Lancashire, BL9 6BZ	Single storey industrial unit comprising predominantly warehouse accommodation, with intergrated office space. Brick construction under a flat roof	20th May 2020	Industrial	5,626	£232,500	£41.33
Bentley Road - Roachdale	Single storey unit comprising predominantly industrial accommodation. Brick constructed building under a pitched roof.	17th September 2019	Industrial	18,726	£850,000	£45.39
Manchester Road, Broadwood works	Large industrial warehouse unit with intergrated office accommodation. Built in a steel portal frame with a profile steel cladding.	2nd December 2019	Industrial	28,936	£720,000	£24.88

Residential Development Value Comps

Property	Description	Date of Sale	Use	Size (sq.ft)	Sale Price	£ per sq.ft.	Size (acres)	£ per acre
Walshaw Road, Bury	Large industrial unit, which is understood to have been sold for development.	18th December 2020	Sold for development	77,370	£7,400,000.00	£95.64	£6.69	£1,106,128.55
Land at Croft Lane	Plot of commercial land with planning permission to construct seven residential dwellings.	13th May 2021	sold for development	19602	£435,000.00	£22.19	0.45	£966,666.67
Land at Wood Street, Rochdale	Plot of land, with previous p[lanning consent to build a block of 22 apartments	5th January 2021	Sold for development	6970	£235,000.00	£33.72	0.16	£1,468,750.00
Edge lane Street, Oldham	commercial land bough for housing development	27th July 2020	Sold for development	89,930	£532,820	£5.92	2.06	£258,650.49

Appendix III – Land at Station Road within Council Ownership



Subject:	Updated RIPA Policy		Status:	For Publication	
Report to:	Cabinet		Date:	13 th October 2021	
Report of:	Head of Legal (Monitoring Officer)		Portfolio Holder:	Corporate Services	
Key Decision:	<input type="checkbox"/>	Forward Plan	<input checked="" type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency
Equality Impact Assessment:	Required:		No	Attached:	No
Biodiversity Impact Assessment	Required:		No	Attached:	No
Contact Officer:	Clare Birtwistle		Telephone:	01706 252527	
Email:	clarebirtwistle@rossendalebc.gov.uk				

1.	RECOMMENDATION
1.1	To consider the recommendations of Overview and Scrutiny Committee and approve the updated RIPA policy 2021
1.2	Any future minor amends to the policy to be delegated to the Monitoring Officer in consultation with the Portfolio Holder.

2. PURPOSE OF REPORT

- 2.1 To note the recommendations of Overview and Scrutiny Committee and approve the updated RIPA policy.
- 2.2 To note the findings of the IPCO Inspection.

3. BACKGROUND

- 3.1 The Regulation of Investigatory Powers Act 2000 (“RIPA”) enables local authorities to carry out certain types of surveillance activity, as long as certain procedures are followed, which can be relied upon in court proceedings. In order to ensure that the procedures are followed, it is important to have an up to date policy which is understood by authorising officers and investigating officers. Members are required to regularly review the use of RIPA to ensure that the policy remains fit for purpose and all authorisations granted under the terms of it are in compliance to avoid challenge. The Council’s use of RIPA is reported to Overview and Scrutiny as part of the performance monitoring framework.
- 3.2 **Proposed Amends**
The RIPA Policy at Appendix 1 has been amended to take account of revised Home Office Codes of Practice, legislative changes affecting authorisations for juveniles used as Covert Human Intelligence Sources (CHIS) and to reflect changes to certain designations and regulators under the policy. Minor amends have previously been delegated to officers in consultation with the Portfolio Holder but this current refresh goes beyond that which is considered minor.
- 3.3 As a result of the Regulation of Investigatory Powers (Juveniles) (Amendment) Order 2018 coming into force on 20 July 2018, the authorisation period for juveniles used as CHIS has been increased from one month to four months subject to at least monthly reviews. A CHIS is someone employed to establish a relationship with another person for the purpose of covertly gathering evidence. The Police act as the lead authority in this type of work and the Council does not currently make use of CHIS, but it remains important that our policy reflects the changes that apply to the use of juvenile CHIS.

- 3.4 References in the policy about the Office of Surveillance Commissioners have also been changed to the Investigatory Powers Commissioner's Office (IPCO) which now has strategic oversight of the use of RIPA by local authorities.
- 3.5 Additional guidance has been inserted into the policy in relation to online covert activity eg the use of social media as a means to collecting information. This is a useful tool and reminds officers that an authorisation for directed surveillance need only be sought where they are 'systematically collecting and recording information about a particular person or group'
- 3.6 Following on from previous inspections the policy has also been amended in terms of the Authorising Officers to bring up to date the present titles and to demonstrate that the Senior Responsible Officer is now sufficiently independent from the appointed Authorising Officers.
- 3.7 Following comments at Overview and Scrutiny gender specific references have also been amended to be gender neutral.

3.8 **Inspection**

Given the drop in RIPA authorisations by local authorities generally since 2012, following the introduction of the serious crime threshold and requirement to seek approval from the Magistrates' Court, the inspection regime now adopted by IPCO is more of a desk top exercise, with on-site inspections only taking place where concerns about compliance with RIPA are found.

- 3.9 The Council was subject to a remote inspection by IPCO during February 2021. The results of the inspection can be found at Appendix 2. No formal recommendations were made as a result of that inspection and the Inspector was satisfied that all recommendations from the previous inspection had been discharged. The Inspector acknowledged that there had been no recent use of RIPA powers by the Council, the last being in October 2012, but they were reassured that the Council was still taking its responsibilities under RIPA seriously and together with the information that had been provided were satisfied that the Council had demonstrated a level of compliance that removed the requirement for a physical inspection.
- 3.10 During the inspection, the Inspector was asked to make comment on the draft policy and their comments have been taken on board.

4. **RISK**

- 4.1 Failure to have an up to date policy together with well-trained authorising and investigating officers could lead to legal challenge and the failure of legal proceedings taken against perpetrators.

Failure to maintain robust governance under the RIPA regime could also see the Council falling foul of the requirements of the IPCO and subject to a physical inspection.

5. **FINANCE**

- 5.1 There are no financial implications arising from the body of this report.

6. **LEGAL**

- 6.1 Where the Council wishes to carry out covert surveillance in relation to an investigation, compliance with RIPA ensures that any such surveillance is properly authorised and full consideration is given to its necessity and proportionality. Compliance with RIPA provides a

potential defence to any claim that the surveillance amounted to a breach of the individual's right to privacy under the Human Rights Act 1998. Whilst RIPA authorisations are limited to specific circumstances for local authorities, local authorities must still maintain appropriate processes and procedures to demonstrate compliance with RIPA, this includes ensuring that an appropriate policy document is maintained.

7. POLICY AND EQUALITIES IMPLICATIONS

7.1 No policy or equalities implications.

8. CONCLUSION

8.1 As set out in the body of the report it is necessary for the Council to review and refresh policies to avoid legal challenge and ensure practice and procedures are in line with legislation, codes of practice and good practice.

ROSSENDALE BOROUGH COUNCIL

REGULATION OF INVESTIGATORY
POWERS ACT 2000 (RIPA)

POLICY

Amended and approved by Council on 23rd March 2011
Amended by Director of Business in consultation with Councillor Robert Wilkinson, Portfolio Holder on 20th July 2011.
Amended by Director of Business in consultation with Councillor Sean Serridge, Portfolio Holder on 29th July 2014
Amended by Director of Business in consultation with Councillor Sean Serridge, Portfolio Holder on 29th October 2014

Other formats are available.
Please call 01706 217777 or
visit our One Stop Shop at
Futures Park, Bacup.

اردو বাংলা



	Version/Status	V1
responsible Author	Head of Legal (Monitoring Office) Legal Services Manager	
Date last Amended	6th November 2018	
	Due for Review	

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APPENDICES

Appendix A	Directed Surveillance and CHIS Forms
Appendix B	Home Office Guidance to Local Authorities in England and Wales on the judicial approval process for RIPA and the crime threshold for directed surveillance
Appendix C	Home Office guidance for Magistrates' Courts in England and Wales for a local authority application seeking an order approving the grant or renewal of a RIPA authorisation or notice
Appendix D	HO - Codes of Practice – Covert Surveillance and Property Interference and Covert Human Intelligence Sources
Appendix E	Rosendale Borough Council's Authorising Officers
Appendix F	HO – Forms - Communications Data
Appendix G	HO - Codes of Practice - Acquisition and Disclosure of Communications Data

ROSSENDALE BOROUGH COUNCIL POLICY ON REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA)

Introduction

Rossendale Borough Council (the Council) only carries out covert surveillance where such action is justified and endeavours to keep such surveillance to a minimum. It recognises the importance of complying with RIPA when such an investigation is for the purpose of preventing or detecting crime or preventing disorder and has produced this guidance document to assist officers.

Applications for Authority

All requests for authorisation of directed surveillance or a CHIS under RIPA must be approved in advance by an Authorising Officer. An Authorising Officer is a person who has been delegated power to act in that capacity. A list of officers who have, to date, been authorised, is annexed to this policy at Appendix E and is subject to regular review and updating by the Monitoring Officer in consultation with the Chief Executive and Directors/Director of Business. Any incomplete or inadequate application forms will be returned to the applicant for amendment. The Authorising Officer shall in particular ensure that:

- there is a satisfactory reason for carrying out the surveillance, and the serious crime threshold is met (see 6.2)
- the covert nature of the investigation is necessary
- proper consideration has been given to collateral intrusion
- the proposed length and extent of the surveillance is proportionate to the information being sought
- the authorisations are reviewed and cancelled
- the authorisations are sent to Legal Services for entry onto the Central Register.

Once authorisation has been obtained from the Authorising Officer, the Investigating Officer shall liaise with the Magistrates' Court to give prior notice of the need for a Judicial Approval and will then attend at Court, accompanied by a member of the Legal Services team, will attend the Magistrates' Court in order to obtain Judicial Approval for the authorisation.

Training

All officers with an enforcement or investigatory function should receive training on the provisions of RIPA to ensure awareness of the legislative framework and Council pPolicies and pPProcedures.

Central Register and Records

Legal Services shall facilitate and retain the Central Register of all authorisations issued by the Council. The Monitoring Officer~~Director of Business~~ will monitor the content of the application forms and authorisations to ensure conformity and compliance with RIPA.

RIPA GUIDANCE – PART I

DIRECTED SURVEILLANCE AND COVERT HUMAN INTELLIGENCE SOURCE

1. Purpose

The purpose of this guidance is to explain:

- the scope of RIPA – Chapter 1 of Part II
- the circumstances where it applies, and
- the authorisation procedures to be followed

2. Introduction

- 2.1 This Act which came into force in 2000 is intended to regulate the use of investigatory powers exercised by various bodies including local authorities, and ensure that they are used in accordance with human rights legislation. This is achieved by the requirement for certain investigations to be authorised by an appropriate officer together with judicial approval. From 1 November 2012 local authority authorisations and notices under RIPA will only be given effect once an order has been granted by a Justice of the Peace. See **Appendices C and D** for Home Office Guidance.
- 2.2 The investigatory powers which are relevant to a local authority are directed covert surveillance and covert human intelligence sources in respect of specific operations involving criminal offences that are either punishable, whether on summary conviction or indictment by a term of imprisonment of at least six months, or are related to the underage sale of alcohol and tobacco. The Act makes it clear for which purposes they may be used, to what extent, and who may authorise their use. There are Codes of Practice relevant to the use of these powers, the links to which are attached as **Appendix D**.
- 2.3 Consideration must be given, prior to authorisation as to whether or not the surveillance and associated collateral intrusion is **necessary** and **proportionate** i.e. whether a potential breach of human rights legislation is justified in the interests of the community as a whole, or whether the information could be gleaned in other ways.
- 2.4 The ~~Investigatory Powers Commissioners Office~~ ~~Office of Surveillance Commissioners~~ ~~has produced~~ publishes a restricted Procedures and Guidance Document to be used by local authorities <https://www.ipco.org.uk/docs/OSC%20PROCEDURES%20AND%20GUIDANCE.pdf>.
- 2.5 A public authority may only engage the 2000 Act when in performance of its **core functions**, that is the specific public functions undertaken by the authority in contrast to the ordinary functions that are undertaken by every authority for example employment issues, contractual arrangements etc.

3. Scrutiny and Tribunal

3.1 External

3.1.1 From 1 November 2012 the Council must obtain an Order from a Justice of the Peace approving the Grant or Renewal of any authorisation for the use of directed surveillance or CHIS before the authorisation can take effect and the activity carried out. The Council can only appeal a decision of a Justice of the Peace on a point of law by the Judicial Review process.

3.1.2 The Investigatory Powers Commissioner's Office (IPCO) formerly the Office of Surveillance Commissioner (OSC) was set up to monitor compliance with RIPA. ~~The OSC~~ has "a duty to keep under review the exercise and performance by the relevant persons of the powers and duties under Part II of RIPA", and ~~the Surveillance Commissioner~~ will from time to time inspect the Council's records and procedures for this purpose.

3.1.3 In order to ensure that investigating authorities are using the powers properly, the Act also establishes a Tribunal to hear complaints from persons aggrieved by conduct, e.g. directed surveillance. Applications will be heard on a judicial review basis. Such claims must be brought no later than one year after the taking place of the conduct to which it relates, unless it is just and equitable to extend this period.

The Tribunal can order:

- quashing or cancellation of any warrant or authorisation
- destruction of any records or information obtained by using a warrant or Authorisation
- destruction of records or information held by a public authority in relation to any person.

The Council has a duty to disclose to the tribunal all documents they require if any Council officer has:

- granted any authorisation under RIPA
- engaged in any conduct as a result of such authorisation

3.2 Internal Scrutiny

3.2.1 The Council will ensure that a senior officer is responsible for:

- the integrity of the process in place within the Council to authorise directed surveillance and CHIS **Appendix E**
- compliance with Part II of the 2000 Act and with the accompanying Codes of Practice

- engagement with the Commissioners and Inspectors when they conduct their inspections and
- where necessary oversee the implementation of any post-inspection action plans recommended or approved by a Commissioner

3.2.2 The elected members of the Council will review the authority's use of the 2000 Act quarterly via the Corporate Overview and Scrutiny Committee. They will ensure that it is being used consistently with the Council's policy and that that policy is fit for purpose. The members will not however be involved in making decisions on specific authorisations.

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4. Benefits of RIPA authorisations

The Act states that if authorisation confers entitlement to engage in a certain conduct and the conduct is in accordance with the authorisation, then it will be lawful for all purposes. Consequently, RIPA provides a statutory framework under which covert surveillance can be authorised and conducted compatibly with Article 8 of the Human Rights Act 1998 – a person's right to respect for their private and family life, home and correspondence.

Material obtained through properly authorised covert surveillance is admissible evidence in criminal proceedings.

Section 78 Police and Criminal Evidence Act 1984 allows for the exclusion of evidence if it appears to the Court that, having regard to all the circumstances in which the evidence was obtained, the admission of the evidence would have such an adverse affect on the fairness of the proceedings that the Court ought not to admit it. Evidence obtained through covert surveillance will not be excluded unless the test of unfairness is met.

5. Definitions

5.1 'Covert' is defined as surveillance carried out in such a manner that is calculated to ensure that the person subject to it is unaware that it is or may be taking place. (s.26 (9)(a))

5.2 'Covert human intelligence source' (CHIS) is defined as a person who establishes or maintains a personal or other relationship with a person for the covert process of obtaining/providing access to/disclosing, information obtained through that relationship or as a consequence of the relationship (s.26 (8))

5.3 'Directed surveillance' is defined as covert but not intrusive and undertaken:

- for a specific investigation or operations,
- in such a way that is likely to result in the obtaining of private information about any person,
- other than by way of an immediate response. (s.26 (2))

- 5.4 'Surveillance' includes monitoring, observing, listening, with or without the assistance of a surveillance device, and includes recording of any information obtained.
- 5.5 Private information includes, and possibly goes beyond, information relating to a persons private or family life, and aspects of business and professional life.
- 5.6 'Intrusive' surveillance is covert surveillance that is carried out in relation to anything taking place on any residential premises or in any private vehicle and involves the presence of an individual on the premises or in the vehicle or using a surveillance device. **The Council may not authorise such surveillance.**
- 5.7 'Authorising officer' in the case of local authorities these are specified as the Deputy Chief Executive (and more senior officers), Heads of Service, Service Managers or equivalent, responsible for the management of an investigation (see Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010 (SI 2010 No.521) As amended (from 1st November 2012) by the Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources (Amendment) Order 2012 No. 1500.
- 5.8 'Senior Responsible Officer' is responsible for:
- the integrity of the process in place within the public authority for the management of CHIS;
 - compliance with Part II of the Act and with the Codes;
 - oversight of the reporting of errors to the relevant oversight Commissioner and the identification of both the cause(s) of errors and the implementation of processes to minimise repetition of errors;
 - engagement with the **IPCOOSC** inspectors when they conduct their inspections, where applicable; and
 - where necessary, oversight of the implementation of post-inspection action plans approved by the relevant oversight Commissioner.

Within local authorities, the Senior Responsible Officer should be a member of the corporate leadership team and should be responsible for ensuring that all authorising officers are of an appropriate standard in light of any recommendations in the inspection reports prepared by the Office of the Surveillance Commissioner. Where an inspection report highlights concerns about the standards of authorising officers, this individual will be responsible for ensuring the concerns are addressed. **See Appendix E.**

- 5.9 'RIPA Monitoring Officer' is responsible for:
- Maintaining the central record and collation of documents,
 - Day to day oversight of the RIPA process
 - Organising training in RIPA, and
 - Raising awareness of RIPA within the Council

6. When does RIPA apply?

- 6.1 RIPA applies where the directed covert surveillance of an individual or group of individuals, or the use of a CHIS is necessary for the purpose of preventing or detecting crime, (see below).
- 6.2 The Council can only authorise **Directed Surveillance** to prevent and detect a criminal offence if it is punishable, whether on summary conviction or indictment, by a period of imprisonment of at least six months, or would constitute an offence under:
- (a) Section 146 Licensing Act 2003 (sale of alcohol to children)
 - (b) Section 147 Licensing Act 2003 (allowing the sale of alcohol to children)
 - (c) Section 147a Licensing Act 2003 (persistently selling alcohol to children)
 - (d) Section 7 of the Children and Young Persons Act 1933 (sale of tobacco, etc, to persons under eighteen)

6.3 CCTV

The normal use of CCTV is not usually covert because members of the public are informed by signs that such equipment is in operation. However, authorisation should be sought where it is intended to use CCTV in a covert and pre-planned manner as part of a specific investigation or operation, for the surveillance of a specific person or group of people. Equally a request, say by the police, to track particular individuals via CCTV recordings may require authorisation (from the police).

6.4 COVERT SURVEILLANCE OF SOCIAL NETWORKING SITES

6.4.1 The use of the internet and, in particular, social networking sites, can provide useful information for Council staff carrying out investigations. These investigations may relate to the various enforcement roles within the Council for example Planning, Licensing or Environmental Health but will equally apply to some non-enforcement teams, such as debt collection or Housing. The use of the internet and social networking sites may potentially fall within the definition of covert directed surveillance. This is likely to result in the breaching of an individual's Article 8 rights under the Human Rights Act (the right to privacy).

6.4.2 In using social media for the gathering of evidence:

- officers must not 'friend' individuals on social networks
- officers should not use their own private accounts to view the social networking accounts of other individuals
- officers viewing an individual's profile on a social networking site should do so only once in order to obtain evidence to support or refute their investigation

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- further viewing of open profiles on social networking sites to gather evidence or to monitor an individual's status, must only take place once RIPA authorisation has been granted and approved by a Magistrate
- officers should be aware that it may not be possible to verify the accuracy of information on social networking sites and, if such information is to be used as evidence, steps must be taken to ensure its validity.

6.4.3 If an allegation is received or, as part of an investigation into an individual, it is necessary to view their social networking site, officers may access the main page of the individual's profile once in order to take an initial view as to whether there is any substance to the allegation or matter being investigated. The initial viewing must be reasonable, for example, it would not be reasonable to spend any significant amount of time searching through various pages of the individual's profile or to print out several pages just in case they may reveal something useful.

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6.4.4 In some cases, where, for example, a link to a site is provided by a complainant, it may be relevant for the receiving officer to view the link before passing it onto the investigating officer to also view. This would count as one viewing. However, it would not be reasonable for each officer in a team to view the site in turn so that they may each gather some information.

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6.4.5 If there is a need to monitor an individual's social networking site, authorisation must be obtained. If the offence being investigated falls under RIPA, a formal RIPA application must be completed, authorised by an Authorising Officer and then approved by a Magistrate.

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6.4.6 This is a useful tool and an authorisation for directed surveillance need only be sought where staff are 'systematically collecting and recording information about a particular person or group'. Further guidance regarding the factors to be considered can be found at paragraph 3.16 of the Code of Practice.

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7. Covert Human Intelligence Source

7.1 The RIPA definition (section 26) is anyone who:

- establishes or maintains a personal or other relationship with a person for the covert purpose of facilitating the doing of anything falling within paragraphs b) or c)
- covertly uses such a relationship to obtain information or provide access to any information to another person; or
- covertly discloses information obtained by the use of such a relationship or as a consequence of the existence of such a relationship

Any reference to the conduct of a CHIS includes the conduct of a source which falls within a) to c) or is incidental to it.

References to the use of a CHIS are references to inducing, asking or assisting a person to engage in such conduct.

Section 26(9) of RIPA goes on to define:

- a purpose is covert, in relation to the establishment or maintenance of a personal or other relationship, if, and only if, the relationship is conducted in a manner that is calculated to ensure that one of the parties to the relationship is unaware of that purpose; and
- a relationship is used covertly, and information obtained as mentioned in- 7 (c) above and is disclosed covertly, if, and only if it is used or as the case may be, disclosed in a manner that is calculated to ensure that one of the parties to the relationship is unaware of the use or disclosure in question.

7.2 There is a risk that an informant who is providing information to the Council voluntarily may in reality be a CHIS even if not tasked to obtain information covertly. It is the activity of the CHIS in exploiting a relationship for a covert purpose which is ultimately authorised in the 2000 Act, not whether or not the CHIS is asked to do by the Council. When an informant gives repeat information about a suspect or about a family, and it becomes apparent that the informant may be obtaining the information in the course of a neighbourhood or family relationship, it may mean that the informant is in fact a CHIS. Legal advice should always be sought in such instances **before** acting on any information from such an informant.

7.3 Juvenile Sources

Special safeguards apply to the use or conduct of juvenile sources; that is sources under the age of 18 years. On no occasion should the use or conduct of a source under the age of 16 years be authorised to give information against his parents or any person who has parental responsibility for him. The duration of a juvenile CHIS is ~~four~~ months subject to at least monthly reviews to ensure that it is maintained for no longer than necessary. The Regulation of Investigatory Powers (Juvenile) Order 2000 SI as amended by the Regulation of Investigatory Powers (Juveniles) (Amendment) Order 2018 No 2793 contains special provisions which must be adhered to in respect of juvenile sources. This can only be authorised by the Chief Executive~~Director of Business~~.

7.4 Vulnerable Individuals

A vulnerable individual is a person who is or may be in need of community care services by reason of mental or other disability, age or illness and who is or may be unable to take care of himself, or unable to protect himself against significant harm or exploitation. Any individual of this description should only be authorised to act as a source in the most exceptional circumstances. Again this can only be authorised by the Chief Executive~~Director of Business~~.

7.5 Legal Advice

Please consult the Monitoring Officer~~Director of Business~~ before taking any practical steps to authorise a CHIS.

7.6 Handler and Controller

There needs to be in place arrangements for the proper oversight and management of CHIS, including appointing individual officers as defined in section 29(5)(a) and (b) of the 2000 Act for each CHIS.

The Handler has day to day responsibility for:

- Dealing with the CHIS on behalf of the authority;
- Directing the day to day activities of the CHIS
- Recording the information supplied by the CHIS, and
- Monitoring the CHIS's security and welfare.

The Handler will usually be a rank or position below that of the authorising officer.

The Controller will normally be responsible for the management and supervision of the "handler" and general oversight of the use of the CHIS

8. **Authorisation Process and Oversight Arrangements**

8.1 Applications for directed surveillance

All application forms (**see Appendix A**) must be fully completed with the required details to enable the Authorising Officer to make an informed decision. Sections 12 and 13 of the form must be completed by the Authorising Officer.

An authorisation under the 2000 Act will only ensure that there is a justifiable interference with an individual's Article 8 rights if it is **necessary** and **proportionate** for these activities to take place. Therefore, the grant of authorisation should indicate that consideration has been given to these points and no authorisation shall be granted unless the Authorising Officer is satisfied that the investigation is:

- **necessary** for either the prevention or detection of crime, involving a criminal offence punishable whether by summary or on indictment by a maximum sentence of at least six months imprisonment or related to the underage sale of alcohol or tobacco (see paragraph 6.2 for offences). Covert surveillance cannot be said to be necessary if the desired information can reasonably be obtained by overt means

- **proportionate** - if the activities are necessary, the person granting the authorisation must believe that they are **proportionate** to what is sought to be achieved by carrying them out. This involves balancing the intrusiveness of the activity on the target and others (see 8.4 Collateral intrusion) that might be affected by it against the need for the activity in operational terms.

The method of surveillance proposed must not be **excessive** in relation to the seriousness of the matter under investigation. It must be the method which is the **least invasive** of the target's privacy.

The activity will not be proportionate if it is excessive in the circumstances of the case or if the information which is sought could reasonably be obtained by other less intrusive means. All such activity should be carefully managed to meet the objective in question and must not be arbitrary or unfair.

The **privacy** of innocent members of the public must be respected and collateral intrusion minimised – see 8.4 below.

It must be at an **appropriate** level (i.e. not excessive) and no other form of investigation would be appropriate.

8.2 Necessity

The Authorising Officer must be satisfied that the use of covert surveillance is necessary for one of the purposes specified in Section 28(3) of RIPA. In order to be satisfied, the conduct that it is aimed to prevent or detect must be identified and clearly described, particularly if it is questionable whether the serious crime criteria are met.

8.3 Proportionality

Proportionality is not only about balancing the effectiveness of covert methods over overt methods but of explaining why a particular covert method, technique or tactic is the least intrusive. It is insufficient to make a simple assertion or to say that the `seriousness` of the crime justifies any or every method available. It may be unacceptable to advance lack of resources or a potential cost saving as sufficient ground to use technological solutions which can be more intrusive than a human being. This critical judgment can only be reached once all aspects of an authorisation have been fully considered. It will be helpful to consider the following elements:

- (i) That the proposed covert surveillance is proportional to the mischief under investigation;
- (ii) That is proportional to the degree of anticipated intrusion on the target and others, and
- (iii) It is the only option, other overt means having been considered and discounted.

The following elements of proportionality should therefore be considered:

- balancing the size and scope of the operation against the gravity and extent of the perceived mischief,
- explaining how and why the methods to be adopted will cause the least possible intrusion on the target and others,
- that the activity is an appropriate use of the legislation and the only reasonable way, having considered all others, of obtaining the necessary result, and
- providing evidence of other methods considered and why they were not implemented

The Authorising Officer should set out, in ~~their~~ own words, "*I am satisfied*" and "*I believe*" why ~~they are~~ satisfied or why ~~they believe~~ the activity is necessary and proportionate

8.4 Collateral intrusion

The privacy rights of members of the public who are not the subject of the investigation, must be minimised and the surveillance must be carefully controlled so as to respect those rights.

The Authorising Officer must also take into account the risk of '**collateral intrusion**' i.e. intrusion on, or interference with, the privacy of persons other than the subject of the investigation, particularly where there are special sensitivities e.g. premises used by lawyers, MPs, doctors or priests e.g. for any form of medical or professional counselling or therapy. The application must include an **assessment** of any risk of collateral intrusion for this purpose.

Steps must be taken to avoid unnecessary collateral intrusion and minimise any necessary intrusion.

Those carrying out the investigation must inform the Authorising Officer of any unexpected interference with the privacy of individuals who are not covered by the authorisation as soon as these become apparent.

Where such collateral intrusion is unavoidable, the activities may still be authorised, provided the intrusion is considered proportionate to what is sought to be achieved.

8.5 Special consideration in respect of confidential information

Particular attention is drawn to areas where the subject of surveillance may reasonably expect a high degree of privacy e.g. where confidential information is involved.

Confidential information consists of matters subject to legal privilege, communication between a Member of Parliament and another person on constituency matters, confidential personal information or confidential journalistic material_ (Sections 98-100 Police Act 1997).

8.6 Legal privilege

Generally, this applies to communications between an individual and his/her legal adviser in connection with the giving of legal advice in connection with or in contemplation of legal proceedings. Such information is unlikely ever to be admissible as evidence in criminal proceedings.

If in doubt, the advice of Legal Services should be sought in respect of any issues in this area.

8.7 Confidential personal information

This is oral or written information held in (express or implied) confidence, relating to the physical or mental health or spiritual counselling concerning an individual (alive or dead) who can be identified from it. Specific examples provided in the codes of practice are consultations between a health professional and a patient, discussions between a minister of religion and an individual relating to the latter's **spiritual welfare** or matters of **medical or journalistic confidentiality**.

8.8 Confidential journalistic material

This is material acquired or created for the purposes of journalism and held subject to an undertaking to hold it in confidence.
It should be noted that matters considered to be confidential under RIPA may not necessarily be properly regarded as confidential under section 41 Freedom of Information Act.

Where confidential information as referred to in sections 8.4 to 8.5 is likely to be acquired, the surveillance may only be authorised by the ~~Chief Executive-Director of Business~~ and should only be authorised where there are exceptional and compelling circumstances.

8.9 Authorisations must be in writing.

The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources (Amendment) Order 2012 amended the 2010 Order - see the new 7A which states that the serious crime threshold of investigating criminal offences with a sentence of at least six months imprisonment and those offences related to the underage sale of alcohol and tobacco apply.

8.10 Notifications to Inspector/Commissioner

The following situations must be brought to the Inspector/Commissioner's attention at the next inspection:

- where an officer has had to authorise surveillance in respect of an investigation in which ~~they are he/she is~~ directly involved;
- where a lawyer is the subject of an investigation or operation;
- where confidential personal information or confidential journalistic information has been acquired and retained.

8.11 Applications for CHIS

The application is the same as for directed surveillance except that the serious crime threshold of investigating criminal offences with a sentence of at least six months imprisonment does not apply. The authorisation must specify the activities and identity of the CHIS and that the authorised conduct is carried out for the purposes of, or in connection with, the investigation or operation so specified.

There are additional requirements in s29(5) relating to responsibility for dealing with the source and maintenance of records relating to the source.

All application forms must be fully completed with the required details to enable the Authorising Officer to make an informed decision.

In addition to the requirements of RIPA, the duties set out in the Source Records Regulations (S.I.2000/2725) must also be observed.

Please consult the ~~Monitoring Officer~~~~Director of Business~~ before taking any practical steps to authorise a CHIS.

8.12 Judicial Approval of authorisations

Once the Authorising Officer has authorised the directed surveillance or CHIS, the Investigating Officer who completed the application form should contact Legal Services who will arrange a hearing at the appropriate Magistrates' Court. A member of the Legal Services Team will accompany the Investigating Officer to present the application for approval by a Justice of the Peace. The hearing is a legal proceeding and therefore, if not represented by Legal Services, local authority officers need to be formally designated to appear.

The Investigating Officer ~~or Authorising Officer~~ will provide the Justice of the Peace with a copy of the original authorisation or notice and the supporting documents setting out the case. This forms the basis of the application to the Justice of the Peace and should contain all information that is relied upon.

In addition, the Investigating Officer ~~or~~ will provide the Justice of the Peace with two copies of a partially completed judicial application/order form.

The hearing must be in private (unless the Court otherwise directs) and the officer will be sworn in and present evidence as required by the Justice of the Peace. Any such evidence should be limited to the information in the authorisation. It is not sufficient for the local authority to provide oral evidence where this is not reflected or supported in the papers provided.

The Justice of the Peace will consider whether they/he/she are/is satisfied that, at the time the authorisation was granted or renewed or the notice given or renewed, there was reasonable grounds for believing that the authorisation or notice was necessary and proportionate and whether that continues to be the case. They will also consider whether the authorisation was given by the appropriate designated person at the correct level within the Council and whether (in the case of directed surveillance) the crime threshold has been met.

The Order Section of the above mentioned form will be completed by the Justice of the Peace and will be the official record of his/her decision. The Council will need to retain a copy of the form after it has been signed by the Justice of the Peace.

The Justice of the Peace can:

- (a) approve the Grant of or renewal of an Authorisation or Notice, which means the authorisation will then be effective.
- (b) refuse to approve the Grant of Authorisation or Notice, which means that the authorisation will not take effect but the Council could look at the reasons for refusal, make any amendments and reapply for judicial approval.
- (c) refuse to approve the Grant of Authorisation or renewal and quash the original authorisation. The Court cannot exercise its power to quash the authorisation unless the applicant has at least two business days from the date of the refusal to make representations.

Appeals

The Council may only appeal a Justice of the Peace's decision on a point of law by making an application for judicial review in the High Court. The Investigatory Powers Tribunal (IPT) will continue to investigate complaints by individuals about the use of the RIPA techniques by public bodies, including local authorities. If, following a complaint to them, the IPT finds fault with a RIPA authorisation or notice it has the power to quash the Justice of the Peace's order which approved the grant or renewal of the authorisation or notice.

8.13 Working in partnership with the police

Authorisation can be granted in situations where the police rather than the Council require the surveillance to take action, as long as the behaviour complained of meets all criteria to grant and in addition is also of concern to the Council. Authorisation cannot be granted for surveillance requested by the police for a purely police issue.

9. Duration and Cancellation

- An authorisation for **directed surveillance** shall cease to have effect (if not renewed) 3 months from the date the Justice of the Peace approves the grant.
- If renewed the authorisation shall cease to have effect 3 months from the expiry of the original authorisation.
- An authorisation for **CHIS** shall cease to have effect (unless renewed) 12 months from the date the Justice of the Peace approves the grant or renewal (save for a Juvenile CHIS where the authorisation will have effect for 4 months with at least monthly reviews).

This does not mean that the authorisation should be given for the whole period so that it lapses at the end of this time. The Authorising Officer, in accordance with s45 of the Act, must cancel each authorisation as soon as that officer decides that the surveillance should be discontinued. Authorisations should continue for the minimum period reasonable for the purpose they are given and in any event will not last longer than 3 months.

On cancellation the cancellation form should detail what product has been obtained as a result of the surveillance activity. The forms should include the dates and times of any activity, the nature of the product obtained and its format, any associated log or reference numbers, details of where the product is to be held and the name of the officer responsible for its future management. Documentation of any instructions to cease surveillance should be retained and kept with the cancellation form.

10. Reviews

The Authorising Officer should review all authorisations at intervals determined by him/her. This should be as often as necessary and practicable. **The reviews should be recorded.**

If the directed surveillance authorisation provides for the surveillance of unidentified individuals whose identity is later established, the terms of the authorisation should be refined at review to include the identity of these individuals.

Particular attention should be paid to the possibility of obtaining confidential information.

11. Renewals

If for any reason a Review is not carried out on time the authorisation may be cancelled. Notice of this cancellation must be given to the Authorising Officer immediately.

Any Authorised Officer may renew an existing authorisation on the same terms as the original at any time before the original ceases to have effect. The renewal must then be approved by a Justice of the Peace in the same way the original authorisation was approved. The process already outlined in section 8 above should be followed.

A CHIS authorisation must be thoroughly reviewed before it is renewed.

12. Central Register of authorisations

12.1 The Council must maintain the following documents:

- copy of the application and a copy of the authorisation together with any supplementary documentation and notification of the approval given by the Authorising Officer;
- a record of the period over which the surveillance has taken place;
- the frequency of reviews prescribed by the Authorising Officer;
- a record of the result of each review of the authorisation;
- a copy of any renewal of an authorisation and Order made by the Magistrates' Court together with supporting documentation submitted when the renewal was requested;
- the date and time when any instruction to cease surveillance was given;
- the date and time when any instruction was given by the Authorising Officer;

12.2. To comply with section 12.1, the ~~Monitoring Officer~~~~Director of Business~~ will hold the Central Register of all authorisations issued by an officer of the Council. A copy of every authorisation, renewal and cancellation issued should be lodged immediately with the ~~Monitoring Officer~~~~Director of Business~~ in an envelope marked "Private and Confidential".

Any original authorisations and renewals taken to the Magistrates' Court should be retained by the Council because the Court only keep copies of the authorisations or renewals.

12.3. The Council must also maintain a centrally retrievable record of the following information:

- type of authorisation
- date the authorisation was given
- date the Approval Order was given by the Justice of the Peace.
- name and rank/grade of the authorising officer
- confidential information
- self-authorisations
- unique reference number of the investigation/operation
- title (including brief description and names of the subjects) of the investigation/operation;
- reviews
- details of renewal
- dates of any Approval Order for renewal given by the Justice of the Peace.
- whether the investigation/operation is likely to result in obtaining confidential information
- date of cancellation

These records will be retained for at least **3 years** and will be available for inspection by the IPCO, Office of Surveillance Commissioners.

13. Retention of records

The Council must ensure that arrangements are in place for the secure handling, storage and destruction of material obtained through the use of directed surveillance in accordance with the relevant Code of Practice. The Authorising Officers, through their relevant Data Controller, must ensure compliance with the appropriate data protection requirements under the Data Protection Act 20181998 and any relevant Codes of Practice relating to the handling and storage of material.

The Central Register of Authorisations will be kept securely in a locked cabinet in the Legal Services department.

14. Complaints procedure

- 14.1 The Council will maintain the standards set out in this guidance and the Codes of Practice. The Investigatory Powers Commissioner Chief Surveillance Commissioner has responsibility for monitoring and reviewing the way the Council exercises the powers and duties conferred by RIPA.
- 14.2 Contravention of the Data Protection Act 20181998 may be reported to the Information Commissioner. Before making such a reference, a complaint concerning a breach of this guidance should be made using the Council's own internal complaints procedure.

RIPA GUIDANCE – PART II
ACQUISITION AND DISCLOSURE OF
COMMUNICATIONS DATA

Introduction

With effect from 5 January 2004, and in accordance with Chapter I of Part I of Regulation of Investigatory Powers Act ('the Act'), local authorities can authorise the acquisition and disclosure of 'communications data' provided that the acquisition of such data is necessary for the purpose of **preventing or detecting crime or preventing disorder**; and proportionate to what is sought to be achieved by acquiring such data.

A link to the Home Office Code of Practice – Acquisitions and Disclosure of Communications data is at Appendix G

The Protection of Freedoms Act 2012 made changes to the provisions under the Regulation of Investigatory Powers Act 2000 requiring the need for a local authority to seek judicial approval of the grant or renewal of an authorisation or of the giving or renewal of a notice.

NOTHING IN THIS CODE PERMITS THE INTERCEPTION OF THE CONTENT OF ANY COMMUNICATION.

The procedure is similar to that of authorisation for directed surveillance and CHIS but has extra provisions and processes.

The purpose and effect of the procedure is the same i.e. to ensure proper consideration is given to permitting such investigations and to provide protection against a human rights challenge.

The Authorising Officer is called a 'Designated Person'.

1. What is `Communication Data` ?

Communications data is information relating to the use of a communications service e.g. postal service or telecommunications system. It is defined by Section 21(4) of the Act and falls into three main categories:

Traffic data - where a communication was made from, to whom and when

Service data – use made of service e.g. Itemised telephone records

Subscriber data – information held or obtained by operator on person they provide a service to.

Local authorities are restricted to subscriber and service use data and only for the purpose of preventing or detecting crime or preventing disorder.

2. Application Forms

The application form should be completed via the National Anti- fraud Network website at www.nafn.gov.uk. The National Anti-fraud Network SPoC Service (acting as SPoC for the Council), will assess and quality control the application. If it meets the legal threshold for obtaining communications data, the SPoC will post it on the website for approval by the appropriate Designated Person.

This procedure necessitates the applicant to be registered with the National Anti-fraud Network prior to making the application. For details on how to do this the applicant should visit www.nafn.gov.uk.

If rejected, by the Designated Person or the SPoC, the SPoC will retain the application and inform the applicant in writing of the reason(s) for its rejection. Comprehensive guidance on the application process is also available via the National Anti-fraud Network website at www.nafn.gov.uk

3. Authorisations

Authorisations can only authorise conduct to which Chapter II of Part I of the Act applies.

In order to comply with the code, a Designated Person can only authorise the obtaining and disclosure of communications data if:

- i) it is **necessary** for any of the purposes set out in Section 22(2) of the Act. (NB the Council can only authorise for the purpose set out in Section 22 (2) (b) which is the purpose of preventing or detecting crime or preventing disorder); and
- ii) it is **proportionate** to what is sought to be achieved by the acquisition of such data (in accordance with Section 22(5) the Act)

Consideration must also be given to the possibility of collateral intrusion.

Once a Designated Person has decided to grant an authorisation or a notice is to given there are two methods:

- 1) By authorisation of some person in the same relevant public authority as the Designated Person, whereby the relevant public authority collects the data itself (Section 22(3) the Act). This may be appropriate in the following circumstances:
 - the postal or telecommunications operator is not capable of collecting or retrieving the communications data,
 - it is believed the investigation may be prejudiced if the postal or telecommunications operator is asked to collect the data itself,
 - there is a prior agreement in place between the relevant public authority and the postal or telecommunications operator as to the appropriate mechanisms for the disclosure of communications data,

- 2) By notice to the holder of the data to be acquired (Section 22(4)) which requires the operator to collect or retrieve the data. Disclosure may only be required to either the Designated Person or the SPOC.

A service provider must comply with the notice if it is reasonably practicable to do so (s.22 (6)-(8)) and can be enforced to do so by civil proceedings.

The postal or telecommunications service can charge for providing this information.

There are standard forms for authorisations and notice which are available using the link provided at Appendix F.

4. Oral Authority

The Council is not permitted to apply or approve orally.

5. Duration

Authorisations and notices are only valid for one month beginning with the date on which the authorisation is granted or the notice given. A shorter period should be specified if possible.

6. Renewal and Cancellation

An authorisation or notice may be renewed at any time during the month it is valid using the same procedure as used in the original application. A renewal takes effect on the date which the authorisation or notice it is renewing expires.

The code requires that all authorisations and notices should be cancelled by the Designated Person who issued it as soon as it is no longer necessary, or the conduct is no longer proportionate to what is sought to be achieved. The relevant postal or telecommunications operator should be informed of the cancellation of a notice.

7. Retention of Records

Applications, authorisations and notices must be retained until the Council has been audited by —the Commissioner (see paragraph 10).

Applications must also be retained to allow any Tribunal (see paragraph 10) to carry out its functions.

A record must be kept of:-

- the dates on which the authorisation or notice is started or cancelled,
- any errors that have occurred in the granting of authorisations or giving of notices.

A report and explanation of any errors must also be sent to the Commissioner as soon as is practicable.

Communications data, and all copies, extracts and summaries of it, must be handled and stored securely and the requirements of the Data Protection Act ~~2018~~1998 must be observed.

The ~~Monitoring Officer~~~~Director of Business~~ will maintain a centrally retrievable register.

10. Oversight and Complaints

The ~~Investigatory Powers Commissioner shall~~~~Act provides for an Interception of Communications Commissioner whose remit is to~~ provide independent oversight of the use of the powers contained in Part I and the code requires any person who uses the powers conferred by Chapter II to comply with any request made by the Commissioner to provide any information he requires to enable him to discharge his functions.

The Act also establishes an Independent Tribunal to investigate and decide any case within its jurisdiction.

REGULATION OF INVESTIGATORY POWERS ACT
2000 (RIPA)

APPENDIX A

Directed Surveillance and CHIS Forms

<S:\General Folder\RIPA\APPENDIX 1 - DS FORM.doc>

<S:\General Folder\RIPA\APPENDIX 2 - DIRECTED SURVEILLANCE review.doc>

<S:\General Folder\RIPA\APPENDIX 3 - DIRECTED SURVEILLANCE renewal.doc>

<S:\General Folder\RIPA\APPENDIX 4 - DIRECTED SURVEILLANCE cancellation.doc>

<S:\General Folder\RIPA\APPENDIX 5 - CHIS form.doc>

<S:\General Folder\RIPA\APPENDIX 6 - DIRECTED SURVEILLANCE review.doc>

<S:\General Folder\RIPA\APPENDIX 7 - CHIS RENEWAL FORM.doc>

<S:\General Folder\RIPA\APPENDIX 8 - CHIS CANCELLATION FORM.doc>

<S:\General Folder\RIPA\APPENDIX 9 - DS FORM with notes.doc>

<S:\General Folder\RIPA\APPENDIX 10 - Surveillance Risk Assess Pro Forma.doc>

<S:\General Folder\RIPA\APPENDIX 11 CHANGE OF CIRCUMSTANCES.doc>

<S:\General Folder\RIPA\APPENDIX 12 - Surveillance Control Matrix.doc>

REGULATION OF INVESTIGATORY POWERS ACT
2000 (RIPA)

APPENDIX B

Home Office Guidance to Local Authorities in
England
and Wales on the judicial approval process for
RIPA
and the crime threshold for directed surveillance

<https://www.gov.uk/government/publications/changes-to-local-authority-use-of-ripa>

REGULATION OF INVESTIGATORY POWERS ACT
2000 (RIPA)

APPENDIX C

Home Office guidance for Magistrates` Courts
in
England and Wales for a local authority application
seeking an order approving the grant or renewal of
a RIPA authorisation or notice

<https://www.gov.uk/government/publications/changes-to-local-authority-use-of-ripa>

REGULATION OF INVESTIGATORY POWERS ACT
2000 (RIPA)

APPENDIX D

Home Office - Codes of Practice – Covert
Surveillance and Property Interference and Covert
Human Intelligence Sources

<https://www.gov.uk/government/collections/ripa-codes>

<https://www.gov.uk/government/publications/code-of-practice-for-covert-surveillance-and-property-interference>

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/97960/code-of-practice-covert.pdf

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/276013/CovertHumanIntelligenceSources.pdf

REGULATION OF INVESTIGATORY POWERS ACT
2000 (RIPA)

APPENDIX E

AUTHORISING OFFICERS

Legal Services Manager

Head of Health, Housing and Regeneration

Director of Communities

Director of Economic Development

Chief Executive ~~**Director of Business**~~ in the event that there is a possibility of confidential information being obtained as highlighted in 8.4 and 8.5 of this Policy.

SENIOR RESPONSIBLE OFFICER

Director of Business ~~**Head of Legal (Monitoring Officer)**~~

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REGULATION OF INVESTIGATORY POWERS ACT
2000 (RIPA)

APPENDIX F

Forms - Communications Data

www.nafn.gov.uk

<https://www.gov.uk/government/collections/ripa-forms--2>

REGULATION OF INVESTIGATORY POWERS ACT
2000 (RIPA)

APPENDIX G

Home Office - Codes of Practice - Acquisition and
Disclosure of Communications Data

<https://www.gov.uk/government/publications/code-of-practice-for-the-acquisition-and-disclosure-of-communications-data>



Investigatory Powers
Commissioner's Office

PO Box 29105, London
SW1V 1ZU

Mr. Neil Shaw
Chief Executive
Rossendale Borough Council
The Business Centre
Futures Park
Bacup
Rossendale
OL13 0BB

17 February 2021

Dear Mr. Shaw,

IPCO Surveillance and CHIS Inspection of Rossendale Borough Council

Please be aware that IPCO is not a “public authority” for the purpose of the Freedom of Information Act (FOIA) and therefore falls outside the reach of the FOIA. It is appreciated that local authorities are subject to the FOIA and that they may receive requests for disclosure of our reports. In the first instance the SRO should bring the matter to the attention of the IPCO Data Protection Officer (at: info@ipco.org.uk), before making any disclosure. This is also the case if you wish to make the content of this letter publicly available.

Rossendale Borough Council was recently the subject of a remote inspection by one of my Inspectors, Mr Graham Wright, who looked at your use of powers and procedures in relation to directed surveillance and CHIS. This was facilitated through Clare Birtwistle (Head of Legal and Senior Responsible Officer for RIPA) who provided information during discussion on 21st January 2021. This discussion related to the Council's current usage of the powers under RIPA, the response to the previous inspection in 2018, and your response to my letter of September 2020 regarding Data Assurance. Ms Birtwistle provided further information in relation to these matters recently.

The information provided has demonstrated a level of compliance that removes, for the present, the requirement for a physical inspection.

The previous recommendations from the 2018 inspection have all been adequately discharged. The main RIPA Policy document has been suitably amended (for more details see below); reporting to Elected Members on the Overview and Scrutiny Committee now occurs; and the Senior Responsible Officer is now sufficiently independent from the appointed authorising officers.

My Inspector has reviewed your Council's RIPA Policy. It is in many ways an accurate and useful document for applicants, authorising officers and anyone considering carrying out covert activity. It covers use of covert surveillance, CHIS and requests for Communications Data, which is done via the National Anti-Fraud Network. The document is currently in draft form and will be submitted to the Overview and Scrutiny Committee pending any comments from this inspection. In that regard Mr. Wright makes the following comments:

1. In relation to the matter of online covert activity, you have now incorporated a substantial section of advice. However, it needs to be made clear to staff that this is a useful tool and an authorisation for directed surveillance need only be sought where staff are 'systematically collecting and recording information about a particular person or group'¹. Further guidance regarding the factors to be considered can be found at paragraph 3.16 of the Code of Practice.
2. Paragraph 7.3 of the policy refers to juvenile CHIS and states that an authorisation has a duration of one month. This is incorrect. The duration is four months, and subject to at least monthly reviews. (It is accepted that the likelihood of such an authorisation being granted is extremely low, but the comment is made for the sake of accuracy.)

Although your Council has not exercised its powers since October 2012, the SRO was reminded of the importance of ensuring that the designated authorising officers maintain their level of training. Mr Wright was informed that training with relevant officers is undertaken on an *ad hoc* basis to ensure they continue to understand the requirements of RIPA. There have been no new investigating officers appointed for some time and they have all received appropriate training either with the Council, or with the police as their former employer. New Directors and the Chief Executive are booked onto an external training session in April 2021 which the SRO will attend also. There is also a training package on your internal training system, Learning Pool, which all staff can access at any time. An email to staff will be circulated to remind them of the courses available on the system and to undertake the RIPA course as a refresher.

As I have referred to above, the monitoring of social media and the internet can offer initial investigative leads and assist with your enforcement or other responsibilities, but it is important to ensure that such resources as these are used in a controlled, auditable, and well understood manner. The Home Office Covert Surveillance and Property Interference Code of Practice provides some helpful advice on this point. Your amended policy document now contains more suitable guidance and advice to staff with regards to how this should be used in a compliant manner.

In relation to the matter of the correct handling of material acquired by covert activity, or Communications Data, your Council is drawing up an action plan in response to the letter I sent to you in this regard in September 2020, and in particular the six action points at the conclusion of my letter. A review of the Council's retention and destruction policy has already taken place, and also the disposal of any data held under any previous authorisations.

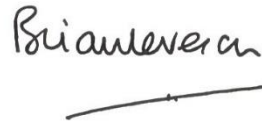
In conclusion, it must be emphasised that although your Council has not exercised its RIPA powers since 2012 it is vital that the relevant staff are appropriately trained should the need to authorise covert activity arise. It is also important that officers engaged in investigatory areas where RIPA considerations are not so immediately apparent, maintain their levels of knowledge and know whom to approach for guidance. The SRO has given assurances to the Inspector that the integrity of your Council's processes and governance procedures will be maintained to ensure that high standards of compliance with the Act and relevant codes of practice are achieved.

I hope that this telephone-based inspection has proved to be a worthwhile exercise. My Office is available to you should you have any queries following the recent inspection, or at any point in the future. Contact details are provided at the foot of this letter.

¹ Covert Surveillance Code of Practice paragraph 3.15

I shall be grateful if you would acknowledge receipt of this letter within two months.

Yours sincerely,

A handwritten signature in black ink that reads "Brian Leveson". The signature is written in a cursive style and is positioned above a horizontal line.

The Rt. Hon. Sir Brian Leveson
The Investigatory Powers Commissioner

Subject:	Heritage Action Zone Funding Uplift Application	Status:	For publication
Report to:	Cabinet	Date:	13 th October 2021
Report of:	Director of Economic Development	Portfolio Holder:	Health and Leisure
Key Decision:	<input checked="" type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception	<input checked="" type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: No
Biodiversity Impact Assessment	Required:	No	Attached: No
Contact Officer:	Lydia Williamson	Telephone:	01706 252483
Email:	Lydiawilliamson@rossendalebc.gov.uk		

1. RECOMMENDATION

- 1.1. For Cabinet to accept a grant uplift award of up to c.£59,645.48 and to authorise the Director of Economic Development in consultation with the Portfolio Holder to accept the award if approved and enter into a grant funding agreement.

2. PURPOSE OF REPORT

- 2.1. To update on recent discussions held with Historic England and to obtain approval to submit a funding uplift application for c.£59,645.48.

To seek authority for the Director of Economic Development to enter in to a grant funding agreement to support this funding uplift application if it is successful. The outcome of the funding uplift application will not be known until 29th November at the earliest.

3. BACKGROUND

- 3.1. This report should be read in conjunction with the [Rossendale Borough Council - Council Report – 23rd December 2019 – C4. Bacup Town Centre, 2040 Vision, Masterplan and External Funding Update.](#)

3.2. Strategic fit

A thriving economy is priority 1 of the Council's Corporate Plan.

Bacup Heritage Action Zone is part of priority 1 of the Economic Development strategy, a Thriving Town Centre.

Bacup Heritage Action Zone is part of the Bacup 2040 Vision and Masterplan.

3.3. Summary of the Heritage Action Zone

Bacup Heritage Action Zone received £1.085 million of Historic England funding in 2020. Following a funding uplift application in 2020, the funding increased by £40,000 to £1.125 million. The purpose of the Heritage Action Zone funding is to regenerate up to 22 properties within the Heritage Action Zone, to provide community engagement and training, and to provide a cultural programme delivered through the Cultural Consortium.

3.4. Historic England

The HS HAZ grant is awarded by Historic England who have recently toured the town centre to monitor progress of the project. During discussions they have indicated that they would be potentially supportive of an uplift application to support 18-20 Yorkshire Street. This would be additional funding that has been released by Historic England.

This report was brought forward on a tight deadline, as the team had to respond at short notice in order to secure the uplift. An uplift application was submitted by 30th September and a decision is expected in late November, with spend by 17th March.

3.5. 18 – 20 Yorkshire Street

The proposed uplift application for 18 – 20 Yorkshire Street is for a window replacement scheme.

- Total proposed project cost: £56,805.22
- Total proposed project cost with VAT: £68,166.26
- Grant application (85% of total project cost and 100% VAT): £59,645.48
- Owner contribution (15% of total project cost): £8,520.78

3.6. Forward plan for the Regal Bingo Hall

Historic England and Economic Development are supportive of a forward plan for the derelict Bingo Hall site which is within the HS HAZ area. They have indicated that they are happy for existing consultancy funding to be used to support a development brief for the site so that historic features can be incorporated within its future use.

3.7. Implications of the Bid

The funding uplift must be spent by 17th March 2022, resulting in a tight project delivery timescale. However, a project plan has been carried out; it is believed the project is deliverable and realistic in timeframe following discussions with contractors.

3.8. Heritage Action Zone Board

Approval for submission of the funding uplift application was sought at the Heritage Action Zone Board meeting on 16th September 2021 who have delegated authority over the project.

4. FINANCE

4.1 There are no financial implications to submitting the bid. If successful, the Council will be the Accountable Body and will administer the grants. Officers will monitor the projects to ensure compliance with the grant agreement. The Council will not be required to provide any match funding in relation to this bid or the potential award.

5. RISK

5.1. The application is not successful

Historic England will be engaged with throughout the uplift application process.

5.2. Landlord refusal to participate

The risk of landlords refusing to participate in the application mitigated as the landlord of the proposed property has already signed up to the HS HAZ scheme.

5.3. Contractors cannot deliver

There is a risk that Buttress and Ross Lee cannot deliver the grant uplift works. However, the contractors, Ross Lee and Buttress, are fully procured.

5.4. Delay to works and deadlines missed

There is a risk that the project could miss its target date of 17th March 2022 to draw down the funding. Whilst delivery is tight both the architect and the building contractors have confirmed that this is achievable. Also, we will be issuing a letter of offer stating that the grant will not be paid out after this deadline, protecting the Council.

5.5. Property improvement costs go over budget

Grant offer letters will only be issued in line with the budget. In the event any costs overrun, the Council will not be liable.

6. LEGAL

- 6.1. The Council has been invited to bid for this uplift which if successful requires Cabinet approval to accept the bid. Completion of contract variations will need to follow once approval has been granted.

7. POLICY AND EQUALITIES IMPLICATIONS

- 7.1. The HS HAZ funding uplift application helps to realise the Bacup 2040 Vision. Full consultation with stakeholders, residents, Bacup 2040 Board, CMT and portfolio holder has been completed for the Bacup 2040 Vision and a full equality impact assessment has been completed. Any equality implications throughout the delivery of the project will be considered in a relevant and proportionate manner.

8. CONCLUSION

- 8.1. The funding uplift application will uplift the HS HAZ scheme by c.£59,645.48 and uplift one building within the HS HAZ.

Background Papers	
Document	Place of Inspection
Rossendale Borough Council - Council Report – 23 rd December 2019 – C4. Bacup Town Centre, 2040 Vision, Masterplan and External Funding Update	Agendas, reports and minutes Rossendale Borough Council
Rossendale Borough Council - Council Report – 25 th September 2019 – D3. Future High Streets Fund/ Heritage Action Zone	Agendas, reports and minutes Rossendale Borough Council
Cabinet Report – 16 th June 2021 – C2. Bacup High Street Heritage Action Zone – Cultural Consortium Grant	Agendas, reports and minutes Rossendale Borough Council
Bacup 2040 Masterplan	Appendix Ab Bacup 2040 Masterplan Rossendale Borough Council
Bacup 2040 Vision	Appendix Aa Bacup 2040 Vision Rossendale Borough Council

Subject:	Financial Monitoring Report Q1 2021/22		Status:	For Publication	
Report to:	Cabinet		Date:	13 th October 2021	
Report of:	Finance Manager		Portfolio Holder:	Resources	
Key Decision:	<input type="checkbox"/>	Forward Plan <input checked="" type="checkbox"/>	General Exception <input type="checkbox"/>	Special Urgency <input type="checkbox"/>	
Equality Impact Assessment:		Required:	No	Attached:	No
Biodiversity Impact Assessment		Required:	No	Attached:	No
Contact Officer:	Craig Finn		Telephone:	01706 252410	
Email:	craigfinn@rossendalebc.gov.uk				

1. RECOMMENDATIONS

- 1.1. That Cabinet note the contents of the Q1 2021/22 financial monitoring report.

2. PURPOSE OF REPORT

- 2.1 The purpose of the report is to update members on the Q1 budget progress 2021/22, compared to the original budget set back in February 2021.

3. BACKGROUND

- 3.1 The 2021/22 MTFS set a balanced Budget for the year based on the assumptions made at that time. The Covid pandemic continues to impact on the economy and result in unplanned expenditure for the Council.
- 3.2 It is still early in the financial year and work will continue over the coming months to monitor and forecast the costs and savings associated with both the pandemic and any other emerging budget pressures.

4. REVENUE

- 4.1 This first monitoring report of the year 2021/22 is forecasting an adverse variance of £192.1k when compared to an original budget of £8,902k. It is proposed that this adverse variance will be met from the response and recovery reserve.
- 4.2 The most notable variances are:-
- £200k adverse - Court cost income estimated at £100k against a budget of £300k.
 - £101k adverse – Deferred repayment of loans granted to the Rossendale Leisure Trust agreed by Council in February 2021.
- 4.3 Full details and explanations are included in **Appendix 1**.

5. CAPITAL

- 5.1 The Usable Capital Receipts brought forward at the 1st April totalled £3,398k.
- 5.2 The value of the budgeted capital scheme expenditure for 2021/22 was £6,239k to which £3,765k slippage has been added, plus two new schemes have also been added - Whitworth Wild Play (£16k) and Water Recreational ground (£4k), to make the estimated in year expenditure £10,024k. The total capital programme over the life of the MTFS is

£21,636k.

5.3 The total in the Useable Capital Receipts Reserve at the end of 2021/22 is currently expected to be £1,319k. £367k of this is ring-fenced for housing schemes. £100k is ring-fenced for Whitworth projects and £236k is ring-fenced for Haslingden projects.

5.4 The most effective method of funding the Councils' Capital outturn will be determined at the end of the financial year.

6. TREASURY

6.1 The council's bank resources continue to be higher than normal due to the level of Covid related Government grants received and held over from 2020/21, including significant sums not yet returned to Government as part of the agreed reconciliation conditions. With the uncertainty around income and Covid-19 response requirements, and depressed interest rate levels on offer from approved counterparties, Council officers have retained funds in instant access/liquid accounts. Details are included in Appendix 1.

7. COLLECTION FUND

7.1 Council Tax collection statistics are broadly consistent with pre-pandemic levels whilst business rate collection continues to be lower than performance prior to Covid.

7.2 The Government has extended the 100% Business Rate Relief scheme to include retail, hospitality and leisure businesses into 2021/22, albeit on modified terms and with this level of relief to reduce to 66% of liability with effect from July 21. The Government has issued additional S31 grants to cover this lost income.

8. EARMARKED RESERVES

8.1 The total cash-backed earmarked reserves brought forward at 1st April 2021 were £12,740k. The Earmarked Reserves closing balance at the 31st March 2022 is predicted to be £12,633k. This balance also includes compensation received in 2020/21 required to fund future years' deficits on the Collection Fund owing to the pandemic. Amounts will be released over the next three years to ease the cashflow burden, as agreed by changes to legislation ('spreading the deficit').

8.2 Planned usage through the life of the MTFs, is projected to reduce this to £7,348k by March 2025.

9. RISKS

9.1 All the issues raised and the recommendations in this report involve risk considerations as follows:

- Financial monitoring of General Fund service departments focuses on the key risk areas of employee costs, income, implementation of agreed budget savings, emerging issues and opportunities and in particular service department net expenditure.
- Budget setting for future years is now treated as an integral part of financial monitoring during the current year and the impact of variances being reported here will be considered by officers when preparing the detailed 2022/23 budgets.
- The council must explore ways of bridging its forecast annual funding gap. Amongst other things this may include becoming more commercially aware, aiming to grow its resources alongside the challenges to its cost base.
- The implications of the Fair Funding review and the proposed new national scheme for the local retention of business rates have been postponed again until April 2023. The Government has announced there will be a three-year Spending Review

alongside the autumn budget on 27 October, the first multi-year funding settlement since 2018.

COMMENTS FROM STATUTORY OFFICERS:

10. SECTION 151 OFFICER

10.1 The financial implications are fully set out in Appendix 1.

11. MONITORING OFFICER

11.1 Unless specifically commented upon within the report, there are no specific implications for consideration.

12. POLICY IMPLICATIONS AND CONSULTATION CARRIED OUT

12.1 There are no specific implications for consideration. Staffing issues have been discussed with colleagues in the People & Policy team.

13. CONCLUSIONS

13.1 Robust monitoring of the General Fund and MTFS is essential to control risks expressed in section 4 above and the council continues to undertake this.

13.2 The council's overall financial position improved due to the 2020/21 adjusted outturn position. However, the ongoing impact of Covid is still not completely known and remains a risk.

13.3 Despite a continued cost reduction programme, the on-going challenge remains for the council to continue its savings agenda in order to help realise its medium term saving and targets. Members, collectively, continue to face difficult choices in order to balance expenditure with available resources over the medium term. The council must remain focused on delivering further efficiencies.

13.4 It is uncertain how much Government funding the council will receive from April 2022 onwards. The Government's announcement of a three-year Spending Review alongside the autumn budget on 27 October will give some certainty for the next three years' funding levels, however the impact of this review will not be known until later in the year. The Government has also announced that departments will need to identify at least 5% savings and efficiencies from their day-to-day budgets, it is not yet known what impact, if any, this statement will have on the Council. This poses a significant risk to the MTFS.

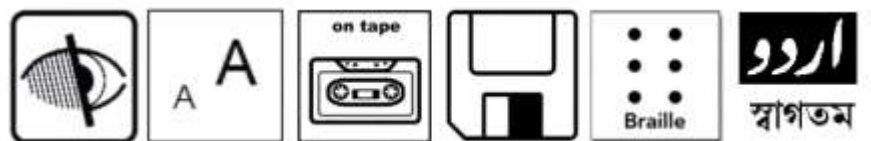
Background Papers

Document	Place of Inspection
Service monitoring statements.	Financial Services.
2021/22 Corporate Priorities, Budget, Council Tax and The Medium Term Financial Strategy.	RBC website - Full Council 24/02/2021

Financial Monitoring Report

2021/22 Q1 as at end of June 2021

Including a Glossary of terms on page 29



Monthly Financial Monitoring Report 2020/21 Q1 June 2021

General Fund Revenue Operations – pages 5 to 19

The Covid pandemic continues to influence the Council's financial performance into 2021/22. The net impact is an adverse variance of £192.1k on the General Fund at Q1 when compared to the original budget of £8,902k. The Council has held over the balance of Covid support grants received in 20/21 where able to do so and has received additional grant support in the year to date to assist with the ongoing financial pressures faced.

The forecast outturn position at Q1 utilises Covid sums carried forward to meet ongoing eligible expenditure. In addition, the adverse variance reported above is proposed to be met from the Response and Recovery Reserve unless and until further Covid related grant funding is to be made available in year from Government departments.

Earmarked Revenue Reserves – page 20 to 21

The total cash-backed Earmarked Reserves brought forward at 1st April 2021 were £12,740k.

The opening balance on the Transitional Reserve was £1,890k, to which £213k of New Homes Bonus grant is to be added. This funding will be released in full as budgeted, to fund 21/22 Net Service costs. Similarly, the Council is to receive £93k of Lower Tier Services Grant as part of the 21/22 Local Government Finance Settlement, and this too will be used to fund Net Service costs.

Due to the complexities of the Collection Fund accounting regime reported to Cabinet throughout 20/21, the Business Rates Retention Reserve holds a significant sum brought forward (£6,229k). Utilisation of Covid funding last year replaced the budgeted contribution from this reserve, down from the £686k assumed as required in 20/21, to nil. This balance also includes compensation received in 20/21 required to fund future years' deficits on the Collection Fund owing to the pandemic. Amounts will be released over the next three years to ease the cashflow burden, as agreed by changes to legislation ('spreading the deficit').

The approved budget for 21/22 also includes transfer to the Business Rates Retention Reserve of Section 31 Grant compensation for eligible reliefs afforded to qualifying business, received in year. This is estimated at £1,091k. The Council also intends to contribute its receipt for renewable energy in the sum of £183k before releasing sums for general budget support at a value of £606k. The intention is to transfer Section 31 grant receipts to the Transitional Budgetary Support Reserve at financial year-end.

The Planning Reserve is expected to be required in full in year to support £113k of costs in relation to the current Local Plan.

Unutilised balances of Covid related funding as at 31 March 2021 were transferred into a new Response & Recovery reserve to meet the ongoing impact and commitments resulting from the pandemic falling into 21/22 and potentially beyond.

The closing balance of earmarked reserves at the 31st March 2021, including sums specifically ring-fenced to fund future deficits on the Collection Fund is estimated at £12,633k. Based on current plans and forecast commitments at the time of this report, earmarked reserves are anticipated to reduce to £7,348k over the life of the MTFS by March 2026.

Government Grants Unapplied – page 22

The opening value of Government Grants Unapplied at the 1st April 2021 was £1,921k, including £1,858k of Disabled Facilities Grant carried forward into 2021/22 which relates to previous years' slippage. The original allocation of Better Care funding for DFGs for 2021/22 is £1,160k, giving total DFG resources available of £3,018k.

Responsible Section/Team	Financial Services	Page	2
Responsible Author	Finance Manager	Produced	30/06/2021
Dates covered in this review	2021/22 Monitoring	Next review	30/09/2021

Monthly Financial Monitoring Report 2020/21 Q1 June 2021

In addition, the Council has received various grants to support its Covid related activities in the sum of £4,256k and these are detailed on page 33. Some of these grants are ring-fenced for specific activities with any remaining balance having to be repaid to the originating body whereas others can be released to support the budget. At Q1, the required funding level from the Response and Recovery Reserve for spend to date, known commitments and to make good the Q1 variance of £192.1k, is £813k.

Staff Monitoring – page 19

The table on page 19 shows the forecast staffing variances for the year based on quarter 1 actuals. The forecast for the year is currently £184.9k. This is made up of £159.9k from general staff turnover and vacancies, plus £25k from additional leave purchased by staff throughout the year. This is a £40.1k shortfall on the revised 2021/22 budget of £225k, however we are still in the early part of the financial year.

Treasury & Cash Management - page 23 to 26

At the end of June, the bank balances were £16,069k. These resources continue to be higher than normal due to the level of Covid related Government grants received and held over from 20/21, including significant sums not yet returned to Government as part of the agreed reconciliation conditions. Due to the pandemic, banking institutions have continued to reduce interest rates. With the uncertainty around income and Covid-19 response requirements, and depressed interest rate levels on offer from approved counterparties, Council officers have retained funds in instant access/liquid accounts. Consequently, the interest income forecast has reduced to just £6.8k, against an original budget target of £16.4k.

The provision for doubtful debt at the 1st of April 2021 was £380.6k, plus a further £5.4k set aside for licensing debt, against £458k of doubtful debts. Following a significant increase to the provision for bad debts during 20/21, the level of cover for sums outstanding and that risk going unpaid is considered adequate at this time (c84% cover), but will continue to be monitored throughout the year.

Capital Receipts – page 27

The Usable Capital Receipts brought forward at the 1st April totalled £3,398k.

Capital Grants due for projects in 2021/22 is expected to total £4,782k.

Current funding for slippage carried forward into the 21/22 Capital consists of a mixture of resources, namely £3,765k of grants, capital receipts and (internal) borrowing. The most effective method of funding the Council's Capital outturn will be determined at the end of the financial year.

On current assumptions, the Capital Receipts Reserve is expected to total £1,319k at the year-end.

Capital Programme and Funding – page 28 to 29

The original Capital Programme for 2021/22 is £6,239k, including £1,000k for DFGs and £1,344k for replacement operational vehicles. The slippage from 2020/21 was £3,765, the bulk relating to DFGs. Additions to the programme have been Whitworth Wild Play and Water Recreational Ground respectively.

The revised capital programme for 2021/22 is £10,024k.

Responsible Section/Team	Financial Services	Page	3
Responsible Author	Finance Manager	Produced	30/06/2021
Dates covered in this review	2021/22 Monitoring	Next review	30/09/2021

Monthly Financial Monitoring Report 2020/21 Q1 June 2021

Collection Fund 2021/22 (Council Tax & NNDR) - page 31 to 32

Council Tax collection statistics are broadly consistent with pre-pandemic levels whilst business rate collection continues to be lower than performance prior to Covid.

The Council Tax account is predicting an overall surplus of £170k for Rossendale, including an increase to doubtful debts of £700k due to the ongoing impact of Covid. Court Cost income has yet to be realised, however we are predicting to receive £100k against a budget of £300k giving an adverse variance of c£200k included in the projected outturn on page 7.

The Government has extended the 100% Business Rate Relief scheme to include retail, hospitality and leisure businesses into 21/22, albeit on modified terms and with this level of relief to reduce to 66% of liability with effect from July 21. This has reduced the forecast NNDR income due. However, the Government has issued additional S31 grants to cover this lost income. These sums, received by the Council into its General Fund in 21/22, will be set aside to fund the deficit emanating from the Collection Fund shortfall in 21/22, to be realised and made good in future years, similar to the treatment for 20/21.

Covid 19 – page 33

The Council has received various Covid related grants throughout the year and these have been itemised on page 33. Some of these grants are ring-fenced and any underspend will be recovered by the originating body at the end of the scheme. For business grants the Council is acting as an agent for the Government and any balances at the end of the schemes have to be repaid. All schemes are currently closed, with repayment of net balances to Government pending (£c3m). The Council received funding in Q1 for the business Restart grant scheme and this is detailed on page 33.

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General Fund Summary - Period 3 (Quarter 1)

Service Area	2021/22 Org Budget £000	2021/22 Forecast £000	2021/22 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 1 (Adv)/Fav £000
Communities Directorate					
Customer Services and E-Government	1,404.8	1,745.2	(340.4)	-	(340.4)
Operational Functions	1,832.8	1,924.1	(91.3)	-	(91.3)
Communities	702.0	645.0	57.0	-	57.0
Public Protection Unit	131.3	135.3	(4.0)	-	(4.0)
Environmental Health	207.6	212.6	(5.0)	-	(5.0)
Licensing & Enforcement	115.4	132.7	(17.2)	-	(17.2)
Housing	497.4	461.1	36.3	-	36.3
Economic Development Directorate					
Planning Services	290.3	231.4	58.9	-	58.9
Building Control Services	(7.5)	(29.2)	21.7	-	21.7
Regeneration	336.1	337.6	(1.6)	-	(1.6)
Property Services	265.4	218.4	47.0	-	47.0
Corporate Management Directorate					
Corporate Management	465.4	420.5	44.9	-	44.9
Legal Services	172.5	172.1	0.4	-	0.4
Local Land Charges	(19.8)	(10.1)	(9.7)	-	(9.7)
Democratic Services	584.6	547.2	37.4	-	37.4
Financial Services	553.2	555.3	(2.1)	-	(2.1)
People and Policy	641.5	642.9	(1.4)	-	(1.4)
Non Distributed Costs	72.3	207.4	(135.1)	-	(135.1)
Capital Financing and Interest	656.7	544.7	112.1	-	112.1
TOTAL Service Cost	8,902.11	9,094.2	(192.1)	-	(192.1)
LESS Use of Earmarked Reserves					
Retained Business Rates Reserve	(2,180.0)	(2,180.0)	-	-	-
Response and Recovery Reserve	-	(192.1)	192.1	-	192.1
Lower Tier Services Grant	(93.0)	(93.0)	-	-	-
Transitional Budgetary Reserve	(606.0)	(606.0)	-	-	-
LESS Use of New Homes Bonus Grant	(213.0)	(213.0)	-	-	-
Net Service Cost	5,810.1	5,810.1	(0.0)	-	(0.0)

The monitoring report at Q1 21/22 is forecasting a predicted adverse variance of £192.1k. This forecast position will require an additional £192k from the Response and Recovery Reserve to balance the approved budget for the year, subject to the receipt of additional funding from Government.

The main variances are shown in the table below and these include: -

- Staff cost reductions are forecasting an adverse variance of £40.1k at year end against the required £200k of vacancy savings. In addition, staff have committed to fund £25k of additional leave to be taken over the course of the year, this is per budget.
- Members are reminded that no court sessions were held throughout 20/21 owing to the pandemic, and this continues to have an impact into 21/22. Estimated court cost income has been assumed at £100k at Q1, down from the £300k approved budget, although this is considered overly prudent as recovery action has recommenced in 21/22 with court cost income likely to follow. As this remains difficult to quantify, an adverse variance of £200k is therefore included in the forecast outturn.
- It should be noted that the Government introduced a scheme for 'lost' income during 20/21 to compensate Councils, in part, for the impact of Covid19 on its income expectations. Government have announced a similar scheme for 21/22 although the finer detail is yet to be published. This may differ from the 20/21 scheme in design and

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duration and the forecast outturn at Q1 assumes only £50k in compensation. The Council's claim for compensation for irrecoverable Fees & Charges income losses in 20/21 was £219k. The £50k assumption is therefore considered prudent for the first quarter, subject to receipt of scheme guidance, as the Government's roadmap eases restrictions from July 21. Additional compensation from the scheme would reduce the required contribution from the Response and Recovery Reserve to balance the budget.

- The deferred repayment of loans granted to the Rossendale Leisure Trust agreed by Council in February 2021 has an adverse variance on the forecast outturn in the sum of £101k. This is the final year of the agreement with repayments to commence from 22/23. Deferred payments relating to 20/21 and 21/22 will result in extension to the agreed repayment terms with income receipts now due in 26/27 and 34/35, where previously assumed to end in 25/26 and 33/34 respectively.

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Main areas of movement

Annual Variances	Q1 Fav/(Adv)	Q2 Fav/(Adv)	Q3 Fav/(Adv)	Q4 Fav/(Adv)	Total Fav/(Adv)	
Customer Services and e-Government						
Staff costs	6.1				6.1	
Housing Benefits subsidy and admin grant	(58.5)				(58.5)	
Housing Benefit Local Council Tax support grant	42.8				42.8	
Housing Benefit bailiff fees	18.3				18.3	
Revenues & Benefits administration Contract	14.6				14.6	
Court costs recovered (net of bad debt provision)	(20.0)				(20.0)	
Business Rates - net costs of collection and s31 grants	(220.8)				(220.8)	
Central IT Costs	(12.0)				(12.0)	
Leisure Services - Deferred income from loan	(101.0)				(101.0)	
Other minor variances	(9.9)				(9.9)	(340.4)
Operations						
Staff costs (including agency and overtime)	(8.7)				(8.7)	
Parks & Open Spaces	9.7				9.7	
General parks and street sweep running costs	5.0				5.0	
Garden Waste Income Less Costs	(3.3)				(3.3)	
Extra Costs within Refuse	(52.2)				(52.2)	
Trade Waste & Bulks Net income	26.0				26.0	
Cemeteries Net income	-				-	
Other minor variances	(3.6)				(3.6)	(34.3)
Public Protection						
Staff costs	10.8				10.8	
Environmental Health administration expenses	2.4				2.4	
Environmental Health Fixed Penalty Notice Inc Adverse	(12.0)				(12.0)	
Strategic Housing, Housing Options and Private Ren.	10.1				10.1	
Extra Income for Enforcement within Environmental Health from MHCLG	-				-	
Hackney income	(2.7)				(2.7)	
Private hire income	(5.7)				(5.7)	
Other Licensing income/costs	(4.4)				(4.4)	
Other minor variances	11.6				11.6	10.1
Economic Development						
Staff costs (net of grant & fee income)	55.0				55.0	
Planning Application Fee Income	75.7				75.7	
Planning Consultancy Professional fees	(60.6)				(60.6)	
Planning Pre-apps	(22.4)				(22.4)	
Building Control Fee Income	19.8				19.8	
Economic development admin costs and Markets	(2.7)				(2.7)	
Childrens Partnership Board Grant income	1.1				1.1	
Other Property Running costs	21.1				21.1	
Spinning Point bus station	(8.7)				(8.7)	
Estates Income (Excluding Town Hall, Futures Park)	11.4				11.4	
Insurance & Service Charge - Futures Park plot 5	28.1				28.1	
Business Centre rentals	2.9				2.9	
Other minor variances	5.3				5.3	126.0
Corporate Management						
Staff costs	96.7				96.7	
Legal income	(3.4)				(3.4)	
Democratic Services and Member costs	3.7				3.7	
Internal and External Audit - Finance	3.2				3.2	
Land Charges income	(3.2)				(3.2)	
Bank Charges	(17.0)				(17.0)	
People and Policy administration costs	(12.5)				(12.5)	
Other minor variances	2.0				2.0	69.4
Non-Distributed Costs & Capital Financing						
Original staff savings target (actuals now above)	(200.0)				(200.0)	
Historical pension commitments	17.9				17.9	
Interest	(9.6)				(9.6)	
Loss of fees and income re Covid grant from MHCLG	50.0				50.0	
MRP Savings	121.7				121.7	
Other minor variances	(3.0)				(3.0)	(23.0)
Favourable/(adverse) variance	-192.2	0.0	0.0	0.0	-192.2	-192.2

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Communities Directorate

Period 3 (June)

Customer Services & ICT	2021/22 Org Budget £000	2021/22 Forecast £000	2021/22 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr1 (Adv)/Fav £000
Customer Services					
Benefits Administration	(234.3)	(235.6)	1.3		1.3
Benefits Granted	(23.7)	(23.3)	(0.4)		(0.4)
Local Tax Collection	(378.6)	(137.9)	(240.7)		(240.7)
Revenues & Benefits Partnership	1,046.7	1,032.1	14.6		14.6
Strategic Functions					
Management and Support	75.0	75.0	-		-
Service Assurance Team	128.5	128.0	0.5		0.5
Central Telephones	5.4	7.0	(1.6)		(1.6)
Central Printing	3.9	3.9	-		-
ICT Support	712.0	706.0	6.0		6.0
Leisure Services	70.0	190.0	(120.0)		(120.0)
Pest Control	-	-	-		-
Total	1,404.8	1,745.2	(340.4)	-	(340.4)

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr Forecast £000	R A G
Staff	-	6.1	6.1	
Housing Benefit administration grant	-	(58.5)	(58.5)	
Housing Benefit Subsidy (net grant position)	-	(0.4)	(0.4)	
Housing Benefit Local Council Tax support grant	-	42.8	42.8	
Housing Benefit bailiff fees	-	18.3	18.3	
Revenues & Benefits administration contract	-	14.6	14.6	
CTax & BRates - court costs (net of bad debt provision)	-	(20.0)	(20.0)	
Business Rates - net costs of collection	-	(220.8)	(220.8)	
Renewable Energy Business Rates income	-	183.0	183.0	
Business Rates transfer to Retained Business Rates Reserve	-	(2,140.9)	(2,140.9)	
Business Rates S31 Grants	-	1,957.9	1,957.9	
SAT Team Grants received (incl Universal Credit)	-	77.1	77.1	
SAT Team additional costs (incl Universal Credit) funded by grants	-	(77.1)	(77.1)	
Central IT Costs	-	0.7	0.7	
Switchboard internet telephony costs	-	(1.6)	(1.6)	
IT equipment purchase - RLT	-	(11.0)	(11.0)	
Leisure Services - Deferred income from loan repayments where income originally assumed	-	(101.0)	(101.0)	
Other minor variances	-	(9.6)	(9.6)	
* TOTAL	-	(340.4)	(340.4)	

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Customer Service & ICT Highlight Report – Q1 (end June 2021)

Historic Issues

- None.

Current Quarter's Issues

At Q1 the forecast variance is £340.4k unfavourable, the main changes being: -

- A favourable forecast of £2.1k on the benefit subsidy is mainly due to a saving of £18.3k on housing benefit bailiff fees, this is because bailiff activity was put on hold throughout quarter one. It is expected that there will be a rise in housing subsidy claims as a result of Covid, this continues to be closely monitored.
- In terms of business rates, the renewable energy income of £183k and budgeted S31 grants will be transferred into the Retained Business Rates Earmarked Reserve.
- At the end of Q1 the total value of court costs raised is £20k short of where we anticipated. Following last years temporary hold on pursuing both NNDR and Council Tax debt, although recovery through the courts it has now re-commenced, however a budget shortfall is anticipated at the year-end but will be monitored throughout the year as court activity increases.
- The Service Assurance Team has received new burdens and Universal Credit introduction grants of £77k so far, but officers are currently assuming that all of these grants will be used to fund additional work of software changes or administration either in 2021/22 or the beginning of 2022/23, so the net variance being predicted is £nil.
- The Revenues and Benefits administration contract costs are projecting a £14.6k favourable variance.
- Due to deferred income from loan repayments relating to leisure services there has been an adverse movement of £101k.
- During the year there has been an increase in the cost of internet telephony costs for the Switchboard which has created an adverse variance of £1.6k.

Future Issues

- The loan deferral relating to leisure services has been agreed for a period of two years, with loan repayments to recommence in 2022/23. At this time the MTFs assumes income receipts for the same in 2021/22. The MTFs will be updated to reflect extensions to the original terms to reflect the revised timing of receipts to settle loan advances made.

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Communities Directorate

Period 3 (June)

Operations & Communities	2021/22 Org Budget £000	2021/22 Forecast £000	2021/22 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 1 (Adv)/Fav £000
Operational Functions					
Operations Admin & Vehicle Maintenance	338.2	396.6	(58.4)		(58.4)
Refuse & Recycling	1,131.9	1,194.3	(62.4)		(62.4)
Street Sweeping	385.3	356.0	29.3		29.3
Markets	(22.5)	(22.8)	0.3		0.3
Communities					
Parks & Open Spaces	905.1	847.6	57.4		57.4
Cemeteries	(227.2)	(226.9)	(0.3)		(0.3)
Dog Warden	24.2	24.4	(0.2)		(0.2)
Total	2,534.8	2,569.1	(34.3)	-	(34.3)

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr £000	R A G
Vacancies at Operations Admin Offices Henrietta Street	-	(30.8)	(30.8)	
Parks Salary Variances (Including temporary gardeners)		55.7	55.7	
Street Sweeping Salaries		31.7	31.7	
Refuse Salaries and Agency		(49.2)	(49.2)	
Fleet Management Vacancy and Agency	-	4.4	4.4	
Markets Overtime		-	-	
Overtime Budgets		(20.5)	(20.5)	
Vehicle Maintenance (including tyres/ parts)		(6.0)	(6.0)	
Vehicle Hire		-	-	
Actions re variances - MRP Savings on Vehicles		-	-	
Fuel		-	-	
Fleet Running Costs MOTs		(1.2)	(1.2)	
Fleet - Oudour Machine		(10.0)	(10.0)	
Garden Waste income		-	-	
General Garden Waste Expenditure		(3.3)	(3.3)	
Purchase of Laptops		(17.2)	(17.2)	
Bin Repairs and Litter Bins		(25.0)	(25.0)	
Trade Waste - Tipping Fees		(12.0)	(12.0)	
Trade Waste - income		38.0	38.0	
Bulk Item Income		-	-	
Street Sweeping Hire of Vehicle		(21.0)	(21.0)	
Street Sweep Insurance Settlements		32.5	32.5	
Weed Killing		(4.5)	(4.5)	
Litter Bins		(2.0)	(2.0)	
Cemeteries Extra income		-	-	
Cemeteries General Repairs		-	-	
Markets Income & Running expenses		-	-	
Parks & Open Spaces S106		9.7	9.7	
Other Variances		(3.6)	(3.6)	
TOTAL	-	(34.3)	(34.3)	

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Operations Highlight Report – Q1 (end of June 2021)

Historic Issues

The approved vehicle replacement plan is in progress for 21/22. Maintenance and hire costs are forecast to be met from within existing budget provision. However, due to two vehicles within Street Sweep being damaged, unfortunately further Hire Costs will be sustained until at least October 2021.

Current Quarter Issues:

At the end of Q1, an adverse variance of £34.3k is forecast to the year-end for Operations and Communities. This is due to overtime been forecast taking the position to £8.7k overspent. Note:- Agency Costs totalling £15.4k have been charged to the COVID19 Grants associated with the Pandemic. There has been some staff movements, starters and leavers and back filling with Agency and covering with overtime. At the start of the year there was only 1 vacancy which was being filled with Agency which was the Mechanic within Fleet. However, in late April a new member of staff departed from Street Sweep increasing the vacancy position within Quarter 1.

Due to Covid19 the vehicle replacement plan lead times from raising the purchase order to delivery has increased to 8-10 Months. Within the first quarter the maintenance costs are within budget.

At Q1, Garden Waste services have achieved the income budget target due to the annual billing profile commencing early in the financial year. The budget for 21/22 includes increased income of £50k, as agreed by Council when setting the budget in February 2021. 'Sales' continue to take place throughout the year and income in excess of budget is likely, although no estimate for this surplus has been included in the Q1 outturn forecast.

- Within Refuse and Recycling, there has been additional pressure associated with Agency staff which will be closely monitored in 21-22 and a better picture will emerge by the end of Qtr 2 and this will be revisited.
- There have been a number of one off costs in quarter one for CCTV £1.6k at Henrietta Street, IT Costs £17k and improvements made to control pollution and odour £10k.
- Also within Refuse and Recycling, the Trade Waste Sector has made a favourable contribution to Q1 with agreements being put in place that have exceeded the income targets by £37k across the different options available to traders. However, extra tipping fees will be incurred of an estimated £12k based on extra revenue generated.
- It is estimated that Bin Repairs will exceed the budget by an estimated £25k and Garden Waste Expenditure £3.3k.
- Within Street Sweep there have been 2 vehicles damaged and insurance settlements £32.5k have been received. In the interim of replacing these vehicles which were due for replacement soon there has been an extra vehicle hired which is costing £700/Week for around 30 Weeks causing a £21k pressure within vehicle costs. Other pressures within Street Sweep include the Weed Killing and Caretaker Whitworth budget £19.4k. This does not cover the total cost £24k causing an adverse variance of £4.5k. Litter Bins are also going to exceed budget by £2k.
- Vehicle Maintenance is slightly overspent by £6k. It should be noted at this stage that the price of fuel has increased by £0.20p/litre and this will be closely monitored going forward and will be revisited at the end of Q2.
- Cemeteries income is forecast to achieve budget.

Futures Issues

- Recycling Arrangements – RBC are currently in the process of creating the facility to transfer recycling material at the main operating depot, which will allow these to be passed into the LCC network. This will ensure that the Council eliminates the risk of high disposal costs within volatile markets. However, due to Covid19 there have been delays with the project. There are likely to be some additional costs once the facility begins operating in respect of adequately staffing it. Costs from other areas will disappear and savings will be made – so costs will change and be allocated to different areas.
- Agency Costs – The Council will be looking at tendering for the provision of agency workers in 2021/22.

Commercial Waste – Staff are now in place and achieving Council targets at the end of Quarter 1. The increase in the number of customers will lead to the requirement of additional stock of commercial waste/recycling bins, but this will be recovered from additional revenue income.

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Communities Directorate

Period 3 (June)

Public Protection & Housing	2021/22 Org Budget £000	2021/22 Forecast £000	2021/22 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 1 (Adv)/Fav £000
Public Protection Unit	131.3	135.3	(4.0)		(4.0)
Environmental Health	207.6	212.6	(5.0)		(5.0)
Licensing & Enforcement	115.4	132.7	(17.2)		(17.2)
Strategic Housing					
Housing Strategy	56.6	28.5	28.1		28.1
Private Sector Housing Renewals	(0.7)	(0.3)	(0.4)		(0.4)
Homelessness	141.5	132.9	8.6		8.6
Empty Homes Scheme	300.0	300.0	-	-	-
		-			
Total	951.7	941.6	10.1	-	10.1

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr £000	R A G
Environmental Health - staffing and consultant	-	(5.4)	(5.4)	
Public Protection Unit - staffing and Direct Costs	-	(4.0)	(4.0)	
Housing Strategy - staffing	-	25.7	25.7	
Private Sector Renewals - Staffing	-	(0.7)	(0.7)	
Homelessness - staffing	-	0.7	0.7	
Licensing & Enforcement - staffing	-	(5.5)	(5.5)	
Other Variances EH	-	2.4	2.4	
EH Fixed Penalty Notice Income Adverse	-	(12.0)	(12.0)	
Extra Income on Administration Costs	-	10.0	10.0	
Return of Bond Payments	-	(1.0)	(1.0)	
Extra Income from Funeral Contributions	-	1.1	1.1	
Private Hire income & expenditure	-	(5.7)	(5.7)	
Hackney income & expenditure	-	(2.7)	(2.7)	
Taxi misc income	-	(3.0)	(3.0)	
Animal Licensing income	-	(6.0)	(6.0)	
Computer Purchase & Software costs for Licensing	-	4.6	4.6	
Other Variances	-	11.6	11.6	
TOTAL	-	10.1	10.1	

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Public Protection and Housing Highlight Report – Q1 (end June 2021)

Historic Issues

- Nothing reported

Current Quarter Issues

At the end of Q1 the Public Protection Unit and Housing Services budgets are projecting a favourable variance of £10.1k, with the main movements being:

- There is a vacancy in Housing Strategy for the Strategic Housing Manager post, forecast savings of £28k based on no occupancy for the first half of the year. Environmental Health has generated savings of £7k on staffing as appointed lower down the scale.
- Additional income from funeral fees in the sum of £1.4k is projected for Environmental Health.
- Additional Flexible Homelessness Grant of £101k has been received into the Housing Options account to support Homelessness activity. This additional funding will be spent on service delivery.

- Licensing:
 - The Licensing Salary costs are showing an adverse variance of £5.5k.
 - The net Taxi Licencing budget is forecasting an adverse variance of £6.9k. This is predominantly due to reduced income levels.
 - Professional fees, DVLA checks and translations services are projecting an under spend of £2.1k due to a slow decline in licenses issued.
 - Animal Licensing income is projected to forecast an adverse variance of £6k.

Future Issues

None

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Economic Development Directorate

Period 3 (June)

Economic Development & Regeneration Services	2021/22 Org Budget £000	2021/22 Forecast £000	2021/22 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 1 (Adv)/Fav £000
Planning					
Development Control	143.0	88.7	54.2		54.2
Forward Planning	147.3	142.7	4.6		4.6
Building Control					
Building Control - Fee Earning Account	(43.2)	(59.0)	15.8		15.8
Building Control - Statutory Function	31.7	31.7	0.1		0.1
Building Control - Street Signs	4.0	(1.8)	5.8		5.8
Regeneration					
Regeneration Mangement	139.1	137.9	1.1		1.1
Economic Regeneration and Rawtenstall Market	70.5	73.2	(2.7)		(2.7)
Whitaker Park Museum	71.5	71.4	0.0		0.0
Tourisms	40.0	40.0	0.0		0.0
Area Forums	15.0	15.0	-		-
Property Services & Facilities Management					
Property Services Team	98.0	77.8	20.2		20.2
Corporate Estates	(347.1)	(430.6)	83.5		83.5
Non Domestic Estates	(117.3)	(124.5)	7.2		7.2
Office Accommodation	32.4	24.0	8.4		8.4
Operational Properties	355.6	348.9	6.7		6.7
Leisure Properties	53.0	54.1	(1.1)		(1.1)
Bus Shelters	57.2	141.8	(84.6)		(84.6)
Business Centre	133.7	127.0	6.7		6.7
Total	884.3	758.3	126.0	-	126.0

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr £000	R A G
Planning / Forward Planning staffing		59.9	59.9	
Building Control staffing		0.5	0.5	
Property Services staffing		(5.4)	(5.4)	
Economic development admin costs		(2.7)	(2.7)	
Communities		1.1	1.1	
Other Miscellaneous Variances		(0.5)	(0.5)	
Planning/Forward Planning Consultancy fees/ Legal fees		(60.6)	(60.6)	
Planning Application Fee Income (excluding additional 20% broken housing market)		75.7	75.7	
Pre-App Income		(22.4)	(22.4)	
Building Control Fees		19.8	19.8	
Office savings		8.2	8.2	
Property Running Costs: Repairs & Maintenance		(0.3)	(0.3)	
Electricity, Gas & Water		(0.1)	(0.1)	
NNDR - excluding Spinning Point bus station		21.5	21.5	
Insurance /service charge - Futures Park plot 5		28.1	28.1	
All other Estates income		11.4	11.4	
Spinning Point Bus Station running costs		(8.7)	(8.7)	
Business Centre rentals		2.9	2.9	
Business Centre running costs		(4.0)	(4.0)	
Bus Shelters, Pool Car, Emergency Planning		1.5	1.5	
TOTAL	-	126.0	126.0	

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Economic Development & Regeneration Highlight Report – Q1 (end June 2021)

Historic Issues

- None

Current Quarter Issues

Economic Development, Communities and Regeneration are currently forecasting a favourable variance of £126k, which is broken down as detailed below: -

- Staff Costs in ED & Regeneration have incurred savings of £3k however, the section has incurred recruitment fees of £3.5k and extra costs of £1k within ED for ad hoc expenditure.
- Communities have net savings of £1.1k.
- Rossendale Youth Works have carried over provisions from 20/21 to fund costs in 21/22 £8.8k.

Property Services and Facilities Management is currently showing a favourable variance of £47k.

- Salary costs are showing an adverse variance of £5.4k.
- Facilities running costs are showing a favourable variance of £0.3k
- The Estates income is showing an overall favourable variance of £11.4k
- Futures Park Plot 5 insurance & service charge income has been received totalling £28.1k, this is offset by the charge from our insurers.
- Spinning point bus station is running at a cost of £8.7k, this is due to the delayed start to the anticipated rental income from the retail units.

Planning & Building Control are showing a favourable variance of £80.5k

- Planning and Building Control staffing costs are showing a favourable variance of £59.9k, however this is offset by the consultancy costs (used for conservation cases and complicated cases) which are projected to be 60.6k adverse
- Planning / Building Control income are projected to show an over achievement of £95.5k
- Pre-app fees have an income target of £31.6k for 21/22. Although it is early in the year, the income is very light and the budget is projecting an under achievement of £22.4k

Future Issues

- Officers are reviewing the Whittaker Museum utilities budget overspend, working with the museum to draw up a commercial lease and separate funding agreement.
- The Local Plan Inspectorate instructed RBC to commission further studies after the inspection in September 2020. The costs are expected to be £161.1k to complete the plan by the end of 21/22. Consideration will need to be given to funding these costs as the anticipated figure, exceeds the sums available in the Planning Reserve. The projected over spend is £68.3k

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Corporate Services Directorate

Period 3 (June)

Corporate Management	2020/21 Org Budget £000	2020/21 Forecast £000	2020/21 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 1 (Adv)/Fav £000
Corporate Management					
Executive Office	350.5	336.3	14.2		14.2
Corporate Contingency	50.0	50.0	-		-
Exec Support & Corporate Subscriptions	64.9	34.2	30.7		30.7
Community Safety			-		-
Legal Services	172.5	172.1	0.4		0.4
Land Charges	(19.8)	(10.1)	(9.7)		(9.7)
Democratic Services					-
Electoral Registration	77.6	73.4	4.2		4.2
Elections	79.4	75.1	4.3		4.3
Democratic Support	371.6	345.4	26.3		26.3
Mayoralty & Civic Events	53.5	50.9	2.6		2.6
Town Twinning	2.5	2.5	0.0		0.0
Financial Services					-
Treasury Management	81.0	95.7	(14.7)		(14.7)
Insurance, Risk & Audit Fees	64.7	66.0	(1.3)		(1.3)
Financial Services Team	407.5	393.6	13.9		13.9
People & Policy					-
Human Resources	406.9	419.9	(13.0)		(13.0)
Corporate Support	230.6	222.4	8.2		8.2
Publicity	4.0	0.6	3.4		3.4
Total	2,397.4	2,328.0	69.4	-	69.4

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr £000	R A G
Staff Savings	-	96.7	96.7	
Legal income		(3.4)	(3.4)	
Members savings		2.5	2.5	
Democratic & Mayoralty savings		1.2	1.2	
Land Charges Income		(3.2)	(3.2)	
External Audit - Accountancy		4.5	4.5	
Internal Audit - LCC		(1.4)	(1.4)	
Bank Charges		(17.0)	(17.0)	
People and Policy administration costs		(12.5)	(12.5)	
Other Misc under / (over) spends		2.0	2.0	
TOTAL	-	69.4	69.4	

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Corporate Management Highlight Report – Q1 (end June 2021)

Historic Issues

- None reported.

Current Quarter Issues

The Corporate Management outturn is now showing an under-spend at £69.4k favourable, the main movements being: -

- Staff changes are £96.7k favourable.
 - Corporate Management - saving of £44.5k
 - Legal Services – are showing a saving of £3.8k
 - Democratic Services – unlikely the vacant post will be filled, saving of £25.2k
 - Elections are showing a saving of £8.3k due to Elections assistant starting her phased retirement
 - Financial Services – favourable £7.9k variance due to 0.2 fte saving
 - People & Policy - following a recent restructure the part-year reductions have led to £10.7k saving
- Democratic Services are showing a slight saving in members service of £2.5k and £1.2k on Mayoralty budgets
- Local Land Charges income is showing an adverse variance of £3.2k. This is an improvement on previous years. It is early in the year but the trend looks to be improving due to increased house sales and clearance of a back log of searches due to COVID. This has been achieved through appointment of a temporary Land Charges Officer, funded from Covid grant monies.
- There is a favourable variance against external Audit fees of £4.3k.
- Bank Charges due to the increase in volume of payments have led to adverse variance of £17k

Futures Issues

- None

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Corporate Services Directorate

Period 3 (June)

Non-Distributed Costs & Capital Financing	2020/21 Org Budget £000	2020/21 Forecast £000	2020/21 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr 1 (Adv)/Fav £000
Non Distributed Costs					
Employee & Pension Costs	52.8	237.9	(185.1)		(185.1)
Other Non-distributed Costs	19.5	(30.5)	50.0		50.0
Capital Financing					
Minimum Revenue Provision	534.7	413.0	121.7		121.7
Interest (net)	122.0	131.7	(9.6)		(9.6)
Total	729.0	752.0	(23.0)	-	(23.0)

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr £000	R A G
Vacancy control savings target - net	-	(200.0)	(200.0)	
Historical pension costs	-	17.9	17.9	
Interest expenditure/income from bank accounts	-	(9.6)	(9.6)	
Covid Lost fees and Charges grant from MHCLG	-	50.0	50.0	
MRP Savings	-	121.7	121.7	
Other minor variances	-	(3.0)	(3.0)	
TOTAL	-	(23.0)	(23.0)	

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Non-Distributed Costs & Capital Financing Highlight Report – Q1 (end June 2021)

Historic Issues

- Savings on the pension costs fall into two areas; savings on historical pension costs as former employees pass away and the advance payment of pension costs at a discount, which reduce Council costs. The Q1 projection is a £17.9k favourable variance.

Current Quarter Issues

This Q1 out-turn is forecasting a net adverse variance of £23k, with the main movements being: -

- The original budget staff savings target was £200k. Total savings in staff costs being predicted at Q1 are £156.8k across the other departments. Added to this is around £25k of savings from employees purchasing additional leave. This gives an overall net adverse variance in staff costs of £40.1k.

Forecast Year End Staffing Variances	Q1
Customer Services	6.2
Operations	(8.7)
Public Protection	10.8
Economic Development	55.0
Corporate Management	44.5
Legal & Democratic	30.9
Financial Services	10.5
People & Policy	10.7
Savings in staff costs	159.9
Additional Leave	25.0
Total staff savings	184.9
Original savings target	(225.0)
Staff Variance	(40.1)

- Interest income as expected was below the budget by £9.6k. Due to the Coronavirus Pandemic banking institutions cut the interest rates from March 2020. In addition, the level of uncertainty around income collection has prompted officers to keep cash flow mainly with instant accounts throughout the year.
- The Sundry Debt analysis on page 25 is forecasting a doubtful debt level of £380.6k, though £41k of this is still being pursued through the courts. The current doubtful debt provision is £380k.
- Projected savings on MRP: £121.7k.

Future Issues

- None

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Earmarked Reserves

Earmarked Reserves (cash-backed items only)	Employment & Transport Reserve	Director Invest Reserve	Local Business Rates Retention Reserve	Transitional Budgetary Support	Planning Reserve	Response & Recovery Reserve
	AN060103	AN060123	AN060144	AN060129	AN060145	AN06
Balance at 01/04/2021	387.7	74.0	6,228.9	1,889.8	112.8	1,389.2
Funds Received 2021/22						
Collection Fund - S31 Grants (NNDR1)			1,091.0			
Collection Fund - Renewable Energy (NNDR1)			183.0			
New Homes Bonus				213.0		
Lower Tier Services Grant				93.0		
Other Revenue income received						628.0
Total Funds Available	387.7	74.0	7,502.9	2,195.8	112.8	2,017.2
2021/22 Published Budget Utilisation						
Retained Business Rates						
New Homes Bonus				(213.0)		
Lower Tier Services Grant				(93.0)		
General budget support			(606.0)			
2021/22 Other Utilisation Plans						
Transfers between Reserves			(1,091.0)	1,091.0		
Budget support - Covid related costs						(813.4)
Support Forward Plan					(112.8)	
Economic Development Projects	(387.7)					
Reserve Estimates 31/3/2022	(0.0)	74.0	5,805.9	2,980.8	0.0	1,203.8
Future Contributions/Utilisation Plans						
2022/23 Plans	0.0		(1,276.0)	(401.0)		(24.5)
2023/24 Plans	0.0		(1,276.0)	(404.0)		
2024/25 Plans	0.0		(1,211.0)	(400.0)		
2025/26 Plans						
Potential Reserve Balances	(0.0)	74.0	2,042.9	1,775.8	0.0	1,179.3

Employment & Transport Reserve usage	2018/19 £k	2019/20 £k	2020/21 £k	2021/22 £k
Whitaker HLF Match Funding (Full Council July 2018 £190k less above 70k)		6.3	149.5	34.2
Rosendale Works- Employability - April 2018	25.0	14.5	4.6	6.0
Rosendale Works- Employability - April 2020 -22	0.0	0.0	30.0	30.0
Haslingden Town Centre- external funding bid	0.0	0.0		160.0
Bacup Future High Street Project	0.0	49.9	165.4	34.7
Bacup Heritage Action Zone Officer SOD 31/03/19	0.0	0.0	19.4	68.1
Establishment of second Economic Development Officer Town Ctr and Comm Buildings - 18 Month fixed term contract		9.6	31.3	14.0
Plot 1, Plot 5 and Junction Works (Cabinet 27/01/20)		0.0	0.0	75.0
Drawings for Bacup 2020 Heritage Action Zone Match	0.0	3.3	0.0	2.2
To fund from other resources	0.0	0.0	0.0	(36.5)
Total 2021/22 Projects	1,071.5	815.7	(0.0)	387.7

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Earmarked Reserves (cash-backed items only)	Vehicle Reserve	Leisure Reserve	Rawtenstall Bus Station	Directorate Reserves	General Reserve	Total
	AN060130	AN060118	AN060150	AN060121		
Balance at 01/04/2021	189.1	55.5	517.0	895.9	1,000.0	12,739.9
Funds Received 2020/21						
Collection Fund - S31 Grants						1,091.0
Collection Fund - Renewable Energy						183.0
New Homes Bonus						213.0
Lower Tier Services Grant						93.0
Other Revenue income received						628.0
Total Funds Available	189.1	55.5	517.0	895.9	1,000.0	14,948.0
2021/22 Published Budget Utilisation						
Retained Business Rates						0.0
New Homes Bonus						(213.0)
Lower Tier Services Grant						(93.0)
General budget support						(606.0)
2021/22 Other Utilisation Plans						
Transfers between Reserves						0.0
Budget support - Covid related costs						(813.4)
Support Forward Plan						(112.8)
Economic Development Projects				(17.0)		(404.7)
Reserve Estimates 31/3/2022	189.1	46.8	517.0	815.8	1,000.0	12,633.2
Future Contributions/Utilisation Plans						
2022/23 Plans	(30.0)			(123.2)		(1,854.7)
2023/24 Plans	(35.0)			(63.0)		(3,632.7)
2024/25 Plans				(42.0)		(5,285.7)
2025/26 Plans						
Potential Reserve Balances	124.1	46.8	517.0	587.6	1,000.0	7,347.5

Current issues

As noted on page 2, the adverse variance on the General Fund of £192.1k will require a contribution from the Response and Recovery Reserve to support the budget.

The Council's share of pre-Covid S31 grant receipts will now be contributed to the Transitional Budgetary Support Reserve (from the Business Rates Retention reserve). This is shown in the Earmarked Reserves Table 1 as a transfer between the respective reserves.

The additional S31 grant receipts received in respect of extension of the Retail, Hospitality, Leisure and Nursery reliefs will be contributed to the Business Rates Retention reserve, and then released equally over the next three years, commencing 2022/23, to fund Collection Fund deficits. This is in accordance with amended legislation to fund the 'exceptional balance' incurred as a result of the Covid pandemic on the Collection Fund ('re-phasing the deficit'). At the time of this report, these sums have not been quantified and are subject to a separate data collection exercise with Government. Consequently, this contribution does not yet feature in the above table.

The recently created Response & Recovery Reserve will continue to be used to receive and release funds as necessary to meet eligible expenditure incurred as a consequence of Covid. As at Q1, the estimated net contribution from the reserve, including bridging the forecast adverse variance of £192.1k, is £185k.

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Agreed detail of the usage of the Employment & Transport Reserve can be seen in the table on page 18.

Grants Unapplied

Grants Unapplied (* denotes a capital grant)	Disabled Facilities Grants *	Homeless Grant	Domestic Abuse Grant	Hoarding Grant	Covid Grants	Total
	£000	£000	£000	£000	£000	
	AL030132	AL030127	AL030130	AL030129		
Balance at 01/04/2021	1,858.2	52.9	6.8	3.4	0.0	1,921.3
New Funds Received 2021/22						
Grant due/received	1,160.1				4,256.0	5,416.1
Total Funds Available	3,018.3	52.9	6.8	2.1	4,256.0	7,336.1
Utilisation in 2021/22						
DFGs allocation 2021/22 - forecast	(1,000.0)					(1,000.0)
Transforming Lives/Hoarding Projects				(2.1)		(2.1)
Homelessness Project						0.0
Domestic Abuse Projects			(6.8)			(6.8)
Covid related expenditure					(4,256.0)	(4,256.0)
Movement to Earmarked Reserves						0.0
Anticipated Balance 31/03/2022	2,018.3	52.9	0.0	0.0	0.0	2,071.2
Future Utilisation Plans						
2022/23 plans	(1,000.0)	(52.9)	0.0	0.0	0.0	(1,052.9)
2023/24 plans	(1,000.0)	0.0	0.0	0.0	0.0	(1,000.0)
Potential Reserve Balances	18.3	0.0	0.0	0.0	0.0	18.2

In addition to the £1,858k of unspent DFG grant brought forward, the 2021/22 allocation is £1,160k, giving total DFG resources of over £3,018.3k. Covid grants received in year are shown in more detail at pages 33 and 34.

Staff Costs, including agency

Employment Costs 2021/22 to end Jun	YTD Budget £000	YTD Actual £000	YTD Variance (Adv)/Fav £000	Variance last Qtr (Adv)/Fav £000	Change this Qtr (Adv)/Fav £000	FTE Original Budget 2021/22	FTE Changes during 2021/22	Current Vacant Posts
Communities Directorate								
Customer Services	86	85	0	-	0	7.8	0.0	0
Operations Service	427	466	(39)	-	(39)	53.0	0.0	3
Communities	174	157	16	-	16	23.0	0.0	1
Environmental Health	46	43	4	-	4	7.0	0.0	0
Licensing & Enforcement	78	78	(1)	-	(1)	6.0	0.0	0
Housing	62	58	4	-	4	7.0	0.0	1
Economic Development Directorate								
Planning Services	117	100	18	-	18	11.4	0.0	2
Building Control Services	30	30	0	-	0	3.0	0.0	0
Regeneration	45	49	(3)	-	(3)	5.0	0.0	0
Property Services	23	23	(0)	-	(0)	3.6	0.0	0
Corporate Services								
Corporate Management	93	86	7	-	7	4.0	0.0	1
Legal Services	37	37	0	-	0	3.0	0.0	0
Local Land Charges	10	10	(0)	-	-	1.0	0.0	0
Democratic Services	66	58	8	-	8	7.4	0.0	0
Financial Services	95	100	(4)	-	(4)	9.0	0.0	0
People & Policy	145	130	15	-	15	17.6	0.0	0
Total	1,533	1,509	25	-	25	168.8	0.0	8.0

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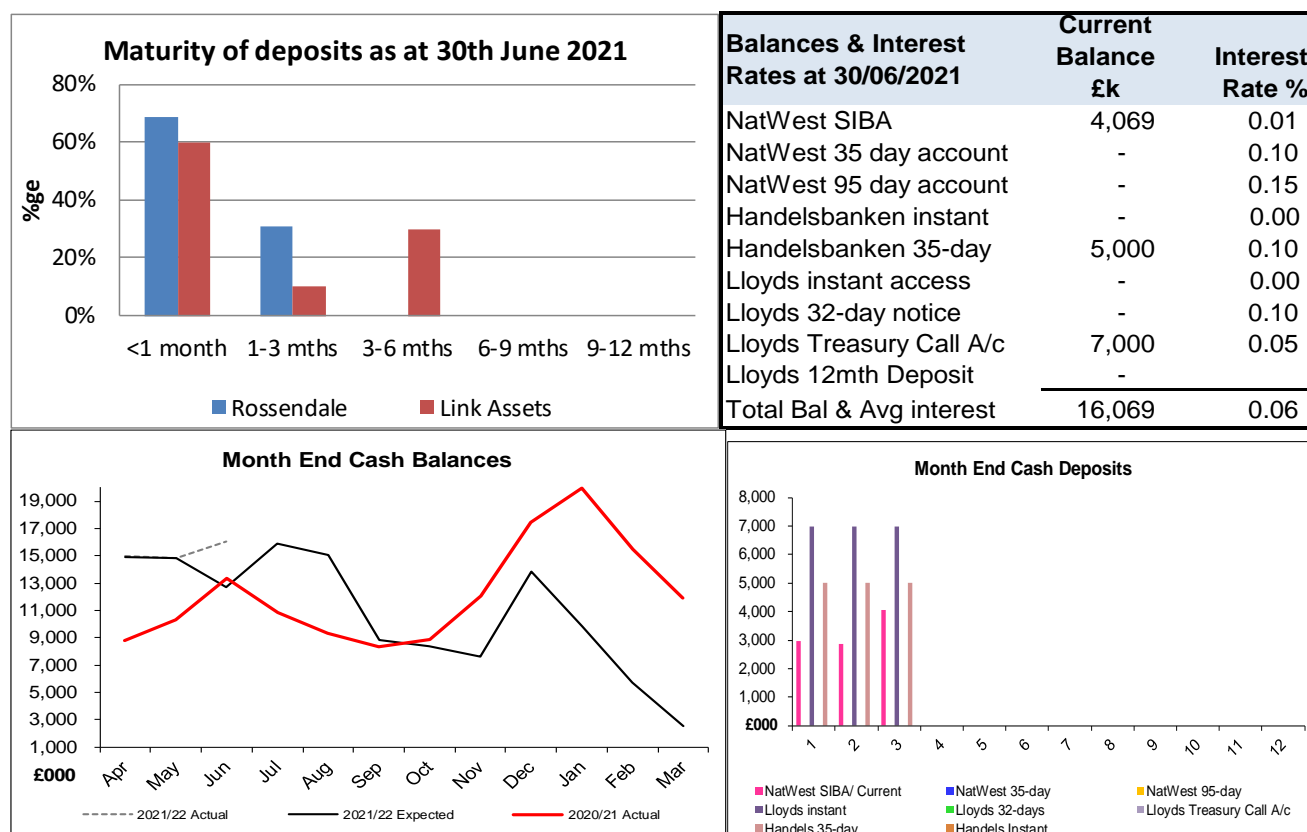
Treasury Management & Cash Flow Monitoring

At the end of June the bank balances were £16.07m, as the Council continues to receive on-account payments to support the Covid-19 response. An example being the continuation of financial compensation as a result of the extension of the Expanded Retail Relief Business Rates scheme. It should be noted that these 'upfront' on account payments, currently inflating the Council's cash balances are subject to reconciliation processes later in the year, with surplus cash receipts being repayable (to Government) when required. Additionally, the Council has received a further tranche of Covid-19 funding in 21/22 to support the ongoing recovery and response effort (£416k).

It is currently estimated, for cashflow purposes, that the aforementioned reconciliation processes will take place at the end of Q2, although this has not been confirmed. This would see the Council return c£6m of surplus monies held over from 20/21. These sums represent the difference between Central Government's original *estimated* assessment of local need for the borough compared to *actual* need for 20/21. Actual need being determined by the Council through award of eligible reliefs to in-scope businesses, and the take-up of Covid-19 business support funding via individual applications.

The Council is also committed to paying preceptors their share of Collection Fund balances in February and March 2022 (combined sum of c£7m) when typically income receipts are lower, as individuals and businesses choose to repay over a 10 month profile (April-January).

Consequently, the current position is forecast to unwind over the course of the year to reduce balances to below £3m by the end of Q4.



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Despite the Council holding significant, temporary cash balances, interest rates on offer from the Council's approved Counterparties remain at historically low levels. Instant access arrangements typically return lower interest rates, and the Council's current strategy is to retain a significant portion of its balances as liquid funds, to ensure it can respond promptly when required to the ongoing implications of the pandemic.

The Council's current portfolio mix consists of liquid funds of £11m and call account sums (35 day notice) of £5m.

The strategy is considered prudent in the context of CIPFA's Prudential Code which prioritises Security and Liquidity over Yield (SLY).

Whilst the strategy is considered prudent, retention of liquid funds in a low interest rate environment risks a negative impact on the interest income budget and this is shown in the following table. Discussions remain ongoing with the Council's external Treasury Advisors, Link, to review market rates on offer. Such offers will be assessed in accordance with the approved Treasury Management Strategy, projected cashflow needs and risk.

The average effective interest rate at the end of Q1 was 0.06%, compared to a target of 0.1%

Interest Paid/Received

The budget for interest in 2021/22 is a net cost of £122k.

Despite a more pessimistic view of interest income being taken for the 21/22 Budget when compared to 20/21 (compare budget of £76.4k) at Q1, the forecast for interest income is now showing an adverse variance of £9.6k.

Interest Forecast	Budget 2021/22	Forecast 2021/22	Variance Fav/(Adv)	Change Fav/(Adv)
Revenue				
Interest payable (PWLb)	(137.5)	(137.5)	0.0	0.0
Other interest payable	(1.0)	(1.0)	0.0	0.0
Misc Interest income	0.0	0.0	0.0	0.0
Bank Interest income	16.4	6.8	(9.6)	(9.6)
Net Interest	(122.1)	(131.7)	(9.6)	(9.6)

Economic Outlook

(Released 14th July 21)

The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 2.4% in the 12 months to June 2021, up from 1.6% growth reported for the 12 month period to April 21. Inflation rates at this time are influenced by the effects of the first coronavirus (COVID-19) lockdown in spring 2020.

On a monthly basis, the CPIH rose by 0.4% in June 2021, compared with a rise of 0.1% in June 2020. Prices for food, second-hand cars, clothing and footwear, eating and drinking out, and motor fuel rose between May and June 2021.

The extent to which the different categories of goods and services have contributed to the overall Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate over the last two years is included below.

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The contribution from transport has shown more variation than any other group over the last two years. It has ranged from a downward contribution of 0.20 percentage points in May 2020 during the first lockdown to an upward contribution of 0.80 percentage points in June 2021. This is the largest upward contribution from any division this month. The contribution from transport was also 0.80 percentage points in February 2017 and was last higher in November 2011.

Within transport, the movements have been caused principally by changes in the price of motor fuels. Motor fuels made a downward contribution to the 12-month rate between March 2020 and February 2021, before turning positive in March 2021 and subsequently increasing to 0.41 percentage points in June 2021. This reflects a 12-month inflation rate for motor fuels of 20.3%, the largest rate since May 2010.

Average petrol prices stood at 129.7 pence per litre in June 2021, compared with 106.5 pence per litre a year earlier. The June 2021 price is the highest recorded since October 2018. In comparison, the UK was in the first national lockdown at this point last year and petrol prices were affected by reduced demand, reaching their lowest price in May 2020 for over four years.

The impact of fuel increases on Council budgets and forecast outturn is included in the variations commentary included in this report.

It is also important to note economic commentary around the base effects of headline figures calculated over the preceding 12 months. This 'exceptional' period can give rise to a significantly low base position from which growth is calculated, as the economy continues to open up and consumer confidence returns. This could artificially indicate significant levels of economic growth.

Economic advisors continue to assess whether inflation trends are likely to be temporary as a consequence, or sustained for longer periods. This has potential implications for borrowing and lending strategies; views on future interest rate changes (interest rate risk) and timing of when to enter markets and length of deposits/borrowing (duration risk).

Borrowing

The Council has an identified a 'prudential' borrowing need to finance its Capital expenditure plans, in the sum of £7.6m, over the plan period to 2024/25.

Given the cashflow implications above, the Council's Capital plans, and in accordance with the approved Treasury Management Strategy, the Council is currently assessing detailed borrowing options to access funds to support the Capital Programme.

Interest rate forward predictions

The Council's treasury management advisors, Link, have issued a very cautious forecast for the Bank Rate in the coming year. Their view is one of no change to the current rate over the next 12 months.

<i>at 30th June 2021</i>	Current Rates	Jun 2021	Sept 2021	Dec 2021	Mar 2022	Jun 2022
Base Rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
25yr PWLB*	1.82%	2.19%	2.00%	2.10%	2.10%	2.20%
25yr PWLB	2.02%	2.39%	2.20%	2.30%	2.30%	2.40%

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Link also provide their view of 25 year borrowing rates from the Public Works Loan Board (PWLB). This forecast is based on a concessionary rate reduction to the standard rate for new loans, known as the 'Certainty Rate'. This discount is currently equal to a 20 basis point reduction to the standard rate. For completeness, the above table includes both the Certainty Rate* and standard rate for comparison.

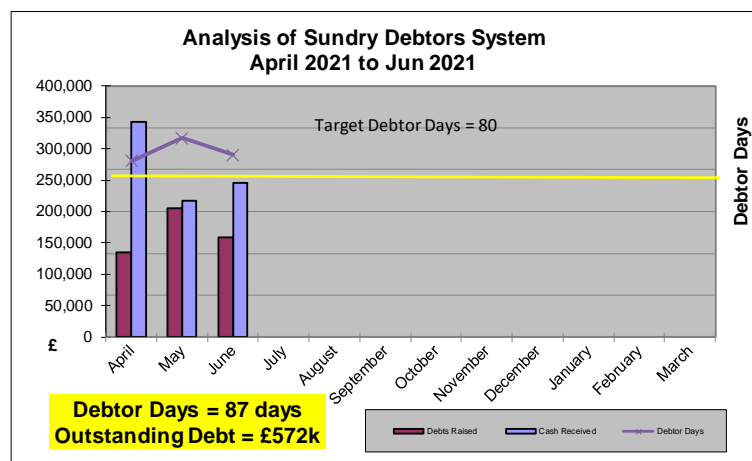
The Council has completed the annual application for access to the Certainty rate for 2021/22 to support its Capital borrowing plans on the most favourable terms available.

Treasury Management Practices (TMPs) and Prudential Indicators

The Council's Treasury Management Strategy Statement 21/22 was approved by Council on 24th February 2021.

The Council has operated within the approved parameters throughout Q1.

Sundry Debts Monitoring



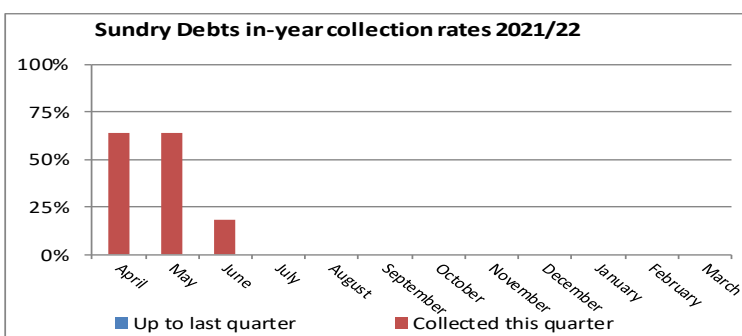
Invoices raised to the end of Q1 totalled £465k. As at June 21, £183k (39%) of new debts raised in the period were considered outstanding giving a collection rate of 61%.

During the same period, c50% of pre 21/22 debts outstanding had been recovered.

Housing Rent Debts

Of the £324k of housing rent debts brought forward at April 2021 the Council has a provision of £288.5k brought forward for doubtful debts (89%), leaving a net £36k not currently provided for.

Doubtful debts



The debtor days in Q1, based on a rolling 12 month average has ended on 87 days. Comparative performance reported at Q4 20/21 was 99 days. Whilst performance has improved, it is still above the target average of 80 days.

Given the average time for debts to be settled, the above table shows a downward trajectory for in year collection rates, for new debt issued. This is anticipated to improve as

debt recovery increases and debts raised in the first quarter are collected in subsequent reporting periods.

Following a significant increase to the level of cover for bad and doubtful debts during 20/21, the Council has a provision of c84% for debts its considered to be at risk of going unpaid (impairment) and c67% for total debt issued and considered overdue.

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The general impairment provision brought forward in April 2021 was £380.6k, with an additional £5.4k for Licensing debts.

The current level of provision is considered adequate for Q1 but will be monitored throughout the year to assess the ongoing impact of Covid on debt recovery.

Of the sundry debts below, £26k are held on the Local Land Charges Register.

Debts Outstanding	Mar 2020	Dec 2020	31 Mar 21		30 Jun 2021		Doubtful Debts	
	£k	£k	£k	£k	£k	£k	rate	value
Earlier Debt	60.2	57.6		56.3		49.0	100%	39.4
2016/17 Debt	19.7	19.9		19.9		19.7	100%	19.7
2017/18 Debt	71.9	71.6		72.0		71.6	100%	44.8
2018/19 Debt	72.8	73.6		69.4		61.5	100%	61.5
2019/20 Debt	138.9	36.4		35.4		31.2		
2020/21 Debt								
Q1		115.0		77.0		43.1	100%	43.1
Q2		99.4		72.2		65.6	100%	65.6
Q3		277.8		80.5		4.6	100%	4.6
Q4				288.4		42.3	100%	42.3
2021/22 Debt								
Q1 Apr					133.5		75%	100.1
Q1 May					18.9		75%	14.2
Q1 Jun				0.0	30.6	183.0	75%	23.0
Total Debt o/s	363.5	751.3		771.2		571.6		458.3

Capital

Capital Resources

Table 1 - 2020/21 receipts

Major Receipts:	Original Budget	Year to Date	Forecast
	£000	£000	£000
Capital Receipts			
Land & Property Sales	50	5	50
Obsolete refuse vehicles	50	-	50
Net receipts to table 2	100	5	100

Table 2 - Useable Capital Resources

Useable Capital Resources	£ 000
Balance at April 2021	3,398
Capital Grants in 2021/22	4,782
Capital Receipts in 2021/22	5
	8,185
Revenue Contributions	
from Earmarked Reserves	87
from Revenue Operations	-
Total Capital Resources 2020/21	8,272
Capital Prog funding applied	(6,953)
Total Capital Resources March 2022	1,319
Capital Receipts Reserve (housing)	367
Capital Receipts Reserve (Whitworth)	100
Capital Receipts Reserve (Haslingden)	236
Capital Receipts Reserve (unalloc)	616

Current issues

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None

Financing the Capital Programme

The Useable Capital Receipts Reserve holds the balance of funds from the sale of Council assets, the balance brought forward at the 1st April 2021 was £3,398k.

The original capital programme for 21/22 approved in February was £6,239K, to which £3,765k of slippage has been added from ongoing projects at the end of March 2021. This included £1,848k for DFGs.

New projects to date in the sum of £20k have been added for Whitworth Wild Play (£16k) and Water Recreational ground (£4k).

The total grant income expected for the approved capital programme is £4,782k. Current funding for slippage carried forward into the 21/22 Capital consists of a mixture of resources, namely £3,765k of grants, capital receipts and (internal) borrowing. The most effective method of funding the Councils' Capital outturn will be determined at the end of the financial year.

The total in the Useable Capital Receipts Reserve at the end of 2021/22 is currently expected to be £1,319k, of which £367k is ring-fenced for housing schemes, £100k is ring-fenced for Whitworth projects and £236k is ring-fenced for Haslingden regeneration. The unallocated balance is £616k.

Future issues

None

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Capital Programme Spending

Capital Programme 2020/21	Original Cap Prog	Revised Cap Prog	Spent/ Ordered	Full-Year Forecast	Forecast Funding Arrangements			
	£000	£000	£000	£000	Grants/ Contrib'n	Capital Receipts	Reserves /RCCO	RBC Int Borrow
Communities Directorate								
Operations	1,344	1,521	879	1,521	0	0	0	1,521
Communities	30	173	43	173	28	145	0	0
Housing	1,600	3,544	340	3,544	2,848	696	0	0
Economic Dev Directorate								
Whittaker	250	631	608	631	544	0	87	0
Ski Rossendale	0	11	0	11	0	11	0	0
Futures Park	1,297	1,874	1,123	1,874	469	0	0	1,405
Spinning Point Ph1 & 2	0	533	16	533	0	533	0	0
Property Repairs & Maint	100	175	39	175	0	175	0	0
Bacup Historic England	868	812	36	812	438	0	0	2,650
Haslingden 2040 NLHF	500	500	4	500	455	45	0	0
Carbon reduction Fund	250	250	4	250	0	250	0	0
	6,239	10,024	3,092	10,024	4,782	1,855	87	5,576

Capital Programme 2021/22	£000	Funded by
Original Capital Programme	6,239	
Slippage from 2020/21	3,765	see list
New capital projects in 2021/22		
Whitworth wild play	16	s106 Grants
Water Recreational Ground	4	External Grants
Revised Capital Programme	10,024	

Slippage items cfwd at end of 2020/21	Costs £000	Funding Arrangements			
		Grants/ Contrib'n	Capital Receipts	RCCO (reserves or S106)	RBC Int Borrow
Communities Directorate					
Operational Vehicles	177				177
Playgrounds (community projects)	23	23			
Cemeteries	40		40		
Pathways	60		60		
Sports Playing Fields	0		206		
DFGs	1,848	1,848			
CPOs	21		21		
	2,169	1,871	327	0	177
Economic Development Directorate					
Whittaker Park Museum Refurb	381	343		38	
Ski Rossendale	11	11			
Spinning Point Phase 2	533		533		
Futures Park	577				577
Emergency Works	50		50		
Bacup historic England	-56	-56			
Demolition of Waterside Mill	25		25		
Empty Homes	75		75		
	1,596	298	683	38	577
	3,765	2,169	1,010	38	754

Capital Programme

The original Capital Programme was £6,239k, including £1,344k for the replacement of vehicles and equipment, £1,000k for DFGs, and regeneration projects of £3,165k, including Plot 1 Futures Park and Bacup HAZ.

To this was added slippage of £3,765k in 2021/22, including DFG's and new, smaller projects in the sum of £20k, making the total 2021/22 capital programme £10,024k. More details are provided in the above tables.

The revised Capital Programme over the life of the MTFs is £21,636k.

Capital project activity

- Spend to date including commitments is £3,092k. This includes:
- Total DFG spend of £340k;
- Spend on acquisition of replacement vehicles and equipment of £879k;
- Spend on the construction of Plot 1 Futures Park of £1,123k;
- Total spend on Whittaker Park Museum Refurbishment of £608k.

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Minimum Revenue Provision (MRP)

Minimum Revenue Provision (MRP)	MRP Budget	Revised MRP Required	Potential (Additions) / Savings
	2021/22	2021/22	2021/22
	£000	£000	£000
Corporate	534.7	413.0	121.7
Leisure Investment	126.00	129.8	-3.8
	660.7	542.8	117.9

MRP is the annual revenue repayment of internal funds used to support capital work.

The MRP Outturn is currently forecast to achieve a saving of £121.7k for the Councils projects and a slight overspend against the leisure specific scheme, giving an overall favourable variance of £117.9k.

The favourable variance can be attributed mainly to the delays in purchasing operational vehicles.

Section 106 Receipts Monitoring

<u>Section 106 Agreements</u> <u>2021/22</u>	Third Party Projects	RBC Revenue Projects	RBC Capital projects	RBC Total Held
	£000	£000	£000	£000
Balance b fwd at 1st April 2021	324.5	107.8	674.8	1,107.1
Deposits applied in 2021/22	-5.0	-10.0	-19.2	-34.2
Deposits received in 2021/22		9.7		9.7
Current Balance	319.5	107.5	655.6	1,082.6

The value of S106 agreements brought forward on the 1st April was £1,107.1k. To the end of June £9.7k of new S106 deposits have been received and £34.2k of monies held have been applied to fund expenditure.

Planning Ref	Area	Site	Purpose	Time Period	Current Balance
RBC Maintenance:-					
2004/401	Bacup	Douglas Rd/ Tong Lane	Land Maintenance	no time limit	94,846
2006/696	Whitewell Bot	Edgeside Park / Millenium Steps	Edgeside Park / Millenium Steps	no time limit	1,968
2008/587	Borough	PCT, Bacup Rd, Rawtenstall	Irwell Sculpture Trail	no time limit	977
2018/0039	Edenfield	Horse & Jockey. 85 Market St, Edenfield	Refuse bins £100 x 10	Exp 19/06/25	(0)
2016/0267	Reeds Home	Land at Reedsholme Works	Refuse bins £100 per dwelling (97)	Exp 26/08/26	9,700
					107,491
RBC Capital:-					
2010/0667	Whitworth	Cowm Park Way/ Hall St	Public & Open Spaces	Exp July 2020 / May 2021	0
2010/0667	Whitworth	Cowm Park Way/ Hall St	Public & Open Spaces	Exp Mar 2023	10,264
2011/0046	Helmshore	Holmefield House	Affordable housing (Deed of Variation)	No time limit	25,800
2013/0041	Cloughfold	Land at 449-457 Bacup Rd,	Play Space/Open Space and/or pedestrian/cycle way	No time limit	0
2015/0238	Edenfield	Horse & Jockey. 85 Market St, Edenfield	Local recreational/play facilities	Exp July 2023	14,759
2015/334	Rawtenstall	Land off Oaklands Drive & Lower Cribden Ave, R's	Affordable Housing	Exp March 2024	162,893
2015/334	Rawtenstall	Land off Oaklands Drive & Lower Cribden Ave, R's	Affordable Housing	Exp June 2024	165,886
2016/0228	Edenfield	Land at Croft End Mill, Stubbins	POS - Chatterton Play area	Exp Oct 2023	7,024
2016/0563	Newchurch	Dark Lane	Replacement Football Pitch		243,999
2019/0318	Bacup	Slack Farm, Bacup	Affordable Housing Off site	10 Years	25,000
					655,626

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Council Tax & NNDR Collection Rates

Collection Rates	Council Tax					Business Rates				
	2017/18	2018/19	2019/20	2020/21	2021/22	2017/18	2018/19	2019/20	2020/21	2021/22
April	10.39	10.41	10.51	10.04	10.90	10.34	11.26	12.22	10.24	8.60
May	19.53	19.72	19.70	18.96	19.70	19.14	18.93	21.07	18.89	16.20
June	28.81	28.79	28.63	27.62	28.70	27.51	27.28	28.68	25.62	24.30
July	37.91	37.97	37.86	36.56		36.85	36.25	37.37	33.92	
August	47.10	47.03	46.90	45.24		48.98	49.93	50.82	48.55	
September	56.20	56.05	56.01	54.29		57.60	58.43	58.34	57.84	
October	65.58	65.32	65.23	63.29		65.57	67.95	67.52	68.97	
November	74.81	74.52	74.78	72.30		74.28	74.77	74.26	77.15	
December	84.03	83.55	83.33	80.90		82.46	83.00	82.70	85.92	
January	92.93	92.72	92.48	89.90		91.18	91.11	90.91	90.17	
February	94.90	94.90	94.60	92.37		95.10	95.73	95.00	93.66	
March	96.40	96.70	96.32	95.72		98.40	98.47	97.78	94.19	

Collection rates for Council Tax are broadly consistent with pre-pandemic levels and are ahead of the corresponding position for last year (+1.08%) in part due to the re-commencement of recovery action where due. For Business Rates, collection statistics are lower than the equivalent period last year (-1.32%) and consequently also lower than pre-pandemic levels. Unlike Council Tax, at the reporting date, no court action to pursue unpaid debts has been taken. It is also worthy of note that the level of relief awarded to eligible businesses into 21/22 (extension of the 'Expanded Retail Relief' scheme for which the Council is compensated by Government) will reduce from 100% to 66% with effect from 1 July, until 31 March 2022. This may have an impact on collection rates in Q2 and throughout the year as businesses re-organise themselves to meet their liabilities where previously, due to Covid-19, these were nil.

Council Tax Forecast 2021/22	Q1 £'000
Council Tax Collectable (after Discounts & Exemptions)	43,494
less Doubtful Debt Provision	(700)
	42,794
less Precepts for 2021/22	
Lancashire County Council	(29,677)
Police	(4,615)
Fire	(1,473)
Rosendale Borough Council	(5,811)
	(41,576)
Surplus / (Deficit)	1,218
RBC Share = 13.98%	170

Council Tax Collection Fund

At the time of this report the estimated surplus on the Council Tax collection fund is forecast at £1,218k. This year RBC's share is 13.98%, equating to £170k.

Local retention of Local Business Rates (NNDR)

In 2021/22 the Council, as part of the Lancashire Business Rates Pool, retains a local share of any surplus or deficit arising at year-end from activity on the fund, in the sum of 40%.

For the purpose of the original budget submission (NNDR1), and in accordance with guidance, no compensation from Government in the form of additional Section31 grant was assumed in relation to Covid-19.

The Government has since extended the 'Expanded Retail Relief' scheme for eligible businesses, albeit with modified terms. For those businesses in scope of the scheme, relief will reduce from 100% to 66% of their liability from 1 July 2021. On current information, this reduction will remain in force until 31 March 2022.

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Business Rates Collection Fund 2021/22 (50% Pool)		NNDR1 £000	Q1 £000
Net Liability Due		13,325	12,997
Less Transitional Payments due to MHCLG		5	5
Less Cost of Collection Allowance		(96)	(96)
Less Doubtful Debt Provision		(500)	(500)
Less Appeals Provision		(530)	(530)
Less Renewables 100% to RBC		(183)	(183)
Net NNDR due	A	12,021	11,693
Less Trans surcharge	B	0	0
Less Precepts		(12,021)	(12,021)
Cash Surplus/(Deficit)	C	0	(328)
RBC Share = C x 40%	D	0	(131)
Central Government share 50%			(164)
LCC and Fire share 10%			(33)

As a consequence of this extension, the Council is receiving on-account payments from Government as compensation for the loss of income it had originally assumed as receivable from businesses in the NNDR1 submission. On account payments are based on Government's assessment of relief levels within the borough which may differ to actual levels determined throughout the year. These sums are fully reconcilable to Government with any adjustments ie under or over payments on account, due from or to Government later in the year.

The continuation of this scheme into 21/22 has given rise to a projected deficit on the Business Rates Collection Fund Account of £328k, of which the Council's share is £131k. Whilst the Council is fully compensated for Section 31 'losses' of income, due to the timing differences and legislative arrangements, the additional in-year Section 31 Grant received into the Council's General Fund is to be transferred to reserves at the year end and released in future years to finance repayment of the deficit when due.

RBC General Fund / Pooling gains		NNDR1 £000	Q1 £000
Business Rates Income	A+B	12,021	11,693
RBC Share = 40%		4,808	4,677
less tariff paid to Lancashire Pool		(2,714)	(2,714)
add S31 Grants (for Levy calculation)	E	1,091	1,091
Subtotal		3,185	3,054
RBC Baseline Funding Level used in Budget		2,180	2,180
Surplus for Levy Calculations	F	1,005	874
Levy due for non Pool membership 50%		(503)	(437)
Levy payable as Pool member 10% of above		(50)	(44)
Retained Levy through Pool membership	G	452	393

Each year the Council is subject to a levy payment of 50% of calculated business rates growth above its baseline funding level as determined annually in the Local Government Finance Settlement. Membership of the Pool, restricts this levy to 10% (of the 50% levy) and allows the Council to hold the balance as 'retained levy' thus reducing the total value of sums paid over to central Government, to apply locally.

At the time of the 20/21 Q4 report to Cabinet, work was ongoing to assess the impact of Covid on retained growth levels and levy payment to the Lancashire Pool.

The unaudited outturn for 20/21 indicated a 10% levy in the sum of £10k, with £92k being retained locally.

Based on continuation of the same model for 21/22, the table above forecasts the estimated levy payment to the Pool for the year, and thus the amount of 'gain' to be retained from Pool membership. This is estimated at £393k.

It should be noted that this is an early estimate based on original NNDR1 assumptions, which have already seen changes as a consequence of continued Government support to certain sectors eg retail sector, not originally assumed at the time of submission. The retained levy estimate is therefore subject to change throughout the year.

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Covid Grants 2021/22

During Q1 the Council has received a number of grants to support the Council and the community through the Covid pandemic. The table below itemises the grants remaining from 2020/21, grants received during the reporting period and the amounts allocated.

Covid Grants	Opening Balance £	Amount Received Q1 £	Amount Allocated to date £	Remaining Balance £	Description
LA Covid Support	202,026	415,605	301,062	316,569	This is to support the Council's Covid related costs and supplement lost income.
Hardship Fund	93,465	0	93,465	0	Payment of £150 each to Council tax accounts of Local Council Tax support recipients. The remaining balance has been allocated to accounts in 2021/22
Containing Outbreak Management Fund (COMF)	642,725	107,253	455,348	294,630	Department of Health funding to cover specific expenditure relating to the pandemic. There is potential that ultimately any unspent funding will have to be returned.
Compliance & Enforcement	28,924	0	28,924	0	To be spent on Covid compliance & enforcement measures. There is potential that ultimately any unspent funding will have to be returned.
Self Isolation Support	16,218	48,654	15,000	49,872	This is to support vulnerable residents whilst they are self isolating - this is not the Track & Trace Self Isolation grants
Clinically Extremely Vulnerable	64,187	0	64,187	0	To support the Council in delivering support to people shielding and the community hub.
Leisure Recovery Fund	141,542	9,612	151,154	0	Sport England Grant. This grant is to be passed to the Leisure Trust based on claims made. The Council is the accountable body for this grant.

The remaining balances will be moved to reserves or provisions to support Covid related expenditure in 2022/23.

In addition to the grants detailed above the Council has acted as agent for the Government in delivering grants to local businesses. All grant schemes are now closed to applications and this includes the 'Restart' grant scheme, funding for which was received during Q1.

Business Grants - The Council is acting as Agent for these grants, any funding remaining will be reclaimed o

Covid Business Grants	Amount Received £	Amount Allocated £	Remaining Balance £	Description
Restart Grants	3,462,174	3,126,038	336,136	The Restart Grant scheme supports businesses in reopening safely as COVID -19 restrictions are lifted. This scheme has now closed. The balance of this funding is due to be paid back to Central Government
Total	3,462,174	3,126,038	336,136	

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Glossary

Accrual

An adjustment at year-end to charge costs or income due in the old year, regardless of whether the cash has been paid or received. Accounts are prepared on an accruals basis in order to match the income for each financial year with the costs attributable to the same time period.

Capital expenditure

Spending on the acquisition or maintenance of assets either directly by the Council or indirectly in the form of grants to other persons or bodies. Expenditure that does not fall within the definition must be charged to a revenue account.

Capital Grants Received in Advance

Grants received in cash during the year, but not spent or committed, are held on the Balance Sheet in the Short-term Liabilities area as Capital Grants Received in Advance, acknowledging the potential requirement to pay these grants back should the related project not go ahead or underspend.

Capital Receipts

Proceeds from the sale of fixed assets, such as land or buildings, or the repayment of capital grants or advances. These funds form part of the Council's Useable Reserves, though they are ring-fenced for capital projects rather than revenue costs.

Cash & Cash Equivalents

Cash deposits are those which provide instant access to the funds without significant penalty or loss of interest. For the Council this is the balance on the NatWest accounts and two other instant access accounts with Lloyds and Handelsbanken. This is in comparison to short- and long-term *Investments* in which funds are untouchable during the life of the deposit.

Collection Fund

Rossendale Borough council collects funds on behalf of other precepting bodies, Lancashire County Council, Fire and Police as well as central government and Whitworth Town Council from domestic and commercial properties in the borough. These amounts are formally ring fenced in the Collection Fund and then distributed amongst the precepting bodies in line with their demands as set in the February budget setting meeting. At the end of the year each precepting body has their share of the arrears, the doubtful debt provision or appeals provision and the accumulated surplus or deficit. Rossendale Borough Council accounts for its own share, but holds the other preceptors shares separately on an agency basis. Hence, within the Council Tax and Business Rates monitoring members will see the overall position and the RBC share clearly identified.

Compulsory Purchase Order (CPO)

Compulsory acquisition of key properties in accordance with the Council's regeneration agenda. Compensation must be paid to the property owners, but where they cannot be traced the Council must deposit the funds with the courts for a minimum of 12 years.

Consumer Price Index (CPI)

The consumer price index (CPI) is a measure estimating the average price of consumer goods and services purchased by households. It is a price index determined by measuring the price of a standard group of goods meant to represent the typical market basket of a typical urban consumer and how this changed in the previous 12 months.

Earmarked Reserves

Cash-backed funds identified to fund specific projects in the future.

Full Time Equivalent (FTE)

Each full-time post within the Council works 37 hours per week. Part-time posts are expressed in relation to this, for example a post working 4 days a week would be 0.8FTE.

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General Fund

The main revenue fund of the Council.

Grants Unapplied

Unlike Capital Grants Received in Advance, there is no requirement to repayment of these grants. The unspent balance will be released into capital or revenue in the coming years as projects come online. These funds form part of the Council's Useable Reserves.

Homes and Communities Agency (HCA)

The Homes and Communities Agency (HCA) is the non-departmental public body which helps to fund new affordable housing in England. It was established by the Housing and Regeneration Act 2008 as one of the successor bodies to the Housing Corporation, and became operational on 1 December 2008. In 2012 the HCA approved the East Lancashire Empty Homes Scheme.

Investments

The Council invests surplus cash in short- and long-term deposits in accordance with the Treasury Management Strategy and Practices revised in February each year. In this context short-term includes anything up to 365 days, and long-term is for more than one year. Funds deposited in such investments are not accessible until the end of the agreed terms.

Link Asset Services (formerly Capita & Sector)

Link Asset Services (formerly Capita & Sector) is the company which provides the Council with Treasury Management advice, including daily market reports and predictions, credit rating updates, interest rate forecasts and annual reviews of our strategy and practices ahead of the February reports to Full Council.

Medium Term Financial Strategy (MTFS)

The Council's financial planning document for the foreseeable future.

Minimum Revenue Provision (MRP)

The minimum amount which must be charged to the Council's revenue account each year and set aside as provision for credit liabilities, as required by the Local Government and Housing Act 1989.

Ministry of Housing, Communities and Local Government (MHCLG)

The former Department of Communities and Local Government (DCLG) has been redesignated as the Ministry of Housing, Communities and Local Government, or MHCLG.

National non-domestic rates - now Business Rates (NNDR)

National non-domestic rates for commercial premises are set annually by the government and collected by all local authorities. The localisation of business rates in April 2013 meant that the National pool no longer exists, but the acronym NNDR is still widely used in local government circles.

Provision

Cash 'put aside' for expenditure on an intended project which has not commenced or is not complete at the year-end, but which has been contractually committed.

Provisional

Best forecast given current knowledge.

Public Works Loans Board (PWLB)

The PWLB is a central government statutory body which lends funds to local authorities with advantageous interest rates. Interest rates are published daily and local authorities provide the PWLB with annual estimates of cash requirements in return for certainty on the availability of funds and the interest rates being charged.

Reserve

Amounts included in one financial year's accounts to provide for payment for goods or services, whether revenue or capital, in a future financial year.

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Revenue account

An account that records an authority's day-to-day expenditure and income on such items as salaries and wages and other running costs of services.

Section 106 Agreement

Planning agreement whereby developers make a contribution towards specific projects linked to their development as a condition of planning application approval. Deposits may be for revenue or capital schemes, but application of the funds are dependent on firstly the developer, and then the Council, pursuing the projects specified within the agreement.

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اگر آپ کو ان معلومات کا خلاصہ یا مزید تفصیلات کی ضرورت ہے، تو براہ کرم اپنی درخواست اور زبان میں اور کارڈ پر اپنے
ممبرانہ نمبر یا ایم ایچ کے لئے اس کا احوال کریں۔
ہماری سربراہی 01706 217777 پر پیش کریں یا پھر آپ کوئی پیش کشیں سے اس پر رابطہ قائم کریں۔

آپنی اگر اس وقت کے سارے سلسلے میں ہرگز ہرگز، آڈیو کاسیٹ یا دیگر ایسی چیزیں
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Other formats available on request.

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