



Local Government
Association Peer
Challenge

Pendle Borough Council
Position Statement

February 2022



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Our Aims for the Peer Challenge

Position Statement

Pendle Borough Council

Peer Challenge – Our Aims

We have the following specific key aims on which we would appreciate particular feedback in this Peer Challenge:

- The Council's approach to transformation – including the shape of the programme and plans for delivery, within the local context.
- The use of our existing governance model to support decision making which is well informed, suitably agile, engaging and proportionate.
- The overarching capacity to deliver available to the Council and how this is used to meet the priorities of the Council.

These are underpinned by the LGA's five high level themes

- Local priorities and outcomes: Are the Council's priorities clear and informed by the local context? Is the Council delivering effectively on its priorities and achieving improved outcomes for all its communities?
- Organisational and place leadership: Does the Council provide effective local leadership? Are there good relationships with partner organisations and local communities?
- Governance and culture: Are there clear and robust governance arrangements? Is there a culture of respect, challenge and scrutiny?
- Financial planning and management: Does the Council have a clear understanding of its current financial position? Does the Council have a strategy and a clear plan to address its financial challenges?
- Capacity for improvement: Is the organisation able to support delivery of local priorities? Does the Council have the capacity to improve?

How this Peer Challenge will help us

Following the recent political and managerial changes at the Council, the Peer Challenge will help us understand the strengths and weaknesses of our present arrangements. We know that we have exceedingly difficult challenges in front of us in the next few years in dealing with our financial position and maintaining priority local services. We recognise that the local government landscape is increasingly uncertain. In the interests of our residents and customers we want to ensure that as an organisation we are as best equipped as we can be for the foreseeable future.

Pendle the Place



Geography

The Borough covers an area of 169km² and has a population of 92,112 giving it an overall population density of 528 persons per km².

The Council takes its name from Pendle Hill (557m) which stands prominently in the west of the Borough. Its silhouette features on the corporate logo.

Pendle Hill forms part of the larger Forest of Bowland Area of Outstanding Natural Beauty which extends into Ribbles Valley and Lancaster.

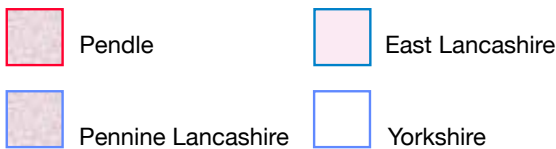
The south of the Borough is comprised of an extensive broad valley which is highly urbanised. This extends into narrower rural steeply sided valleys with moorland tops to the north, south and east. West Craven is in stark contrast to this landscape with a predominantly rural character marked by distinct drumlin features.

The Lancashire Green Belt extends into the Borough from the west, occupying much of the undeveloped central part of the M65 urban corridor. The Green Belt fulfils an important function in maintaining separation between Nelson, Barrowford, and Colne.

Within Pendle there are 329 Listed Buildings, 11 scheduled monuments, and 23 Conservation Areas. The built heritage of the Borough largely relates to traditional farming landscape and its industrial legacy.

Two-thirds of Pendle's population is concentrated in four contiguous settlements - Nelson, Colne, Brierfield and Barrowford – situated in the south of the Borough. This densely populated urban area extends 8km north-east from the boundary with neighbouring Burnley, creating an extended area that has a combined population of almost 150,000. To the north, Barnoldswick and Earby are the largest settlements in West Craven.





Towns and Villages

Nelson (pop. c 33,000) is the largest town in Pendle and its administrative centre. It grew from a series of small hamlets during the 18th and 19th Century with industrialisation associated with the textile industry. The Nelson Town Centre Masterplan, approved in December 2021, seeks to reverse the declining fortunes of the town centre. The Council has received £25 million Town Deal funding and has established a Town Deal Board to take the project forward.

Colne (pop. c16,100) is an attractive market town with medieval origins which sits prominently on a ridge. The town centre retains a high proportion of independent retailers and the cafes and restaurants lining the high street and a small number of well used theatres make it a popular night-time destination. The Council has just been granted c£6.5 million Levelling Up Funding for town centre projects.

Barnoldswick (pop. c9,650) is the home of the jet engine, with Rolls-Royce making a significant contribution to its economy and is a large employer. Silentnight, manufacturer of beds, is also based in the town and is a major employer.

Brierfield (pop. c9,030) is home to former textile mills along the banks of the Leeds and Liverpool Canal which have been converted to residential, commercial and retail uses.

Barrowford (pop. c5,040) is a large linear settlement sitting astride the busy A682 and retains strong links with the industrial towns to the south and the rural villages Pendleside to the north.

Earby (pop. c3,130) lies just 3km east of Barnoldswick. The West Craven Business Park has attracted new investment and a significant number of jobs into the area.

The villages and hamlets of rural Pendle are home to over 17,000 people, although the population density is very low at only 133 people per square kilometre. The majority reside in three larger villages - Foulridge, Fence and Trawden. In the smaller settlements farming remains the primary focus of day-to-day life although tourism is increasingly important.







Population

Whilst the age structure of the population is broadly similar to both the regional and national averages, it has a relatively young profile, with birth rates in the Borough having increased steadily over a number of years.

The 2011- based Interim Sub-National Population Projections estimated that the population of Pendle would increase from 89,600 in 2011 to 98,300 by 2030. Currently it is estimated to be 92,145. Over this same period the population aged 65 and over is expected to rise significantly from around 15% of the total population to over 20%. Meanwhile, the proportion under the age of 16 is expected to remain relatively static at around 20% of the total population.

The ethnic mix of the population is similar to other districts in Pennine Lancashire. In 2011 the majority ethnic group was White (79.9%); substantially lower than the comparable figure for England (85.4%). There is a significant Black and Minority Ethnic (BME) population (17.1%), mostly of Pakistani origin, living in just seven wards in Nelson and Brierfield. There is also a significant Eastern European community in the Borough.

Housing and Households

Pendle has deep-seated and challenging housing problems. It was formerly within the Pennine Lancashire Housing Market Renewal (HMR) pathfinder, one of just nine in the country. However, the HMR scheme ended in 2010.

In 2020, Pendle had 40,572 household spaces.

A major part of the area's physical infrastructure dates from the Victorian era and this is particularly true for housing. Over half of the local housing stock (54%) was built before 1919, more than twice the national average, and most of this stock is in private ownership (87%).

Average property prices within Pendle are much lower than the national average at £119,500. Of all the Lancashire districts, Pendle has the highest proportion of its housing stock (61.5%) in the lowest council tax band (Band A). Detached properties, given their limited supply, sell for a significant premium in contrast to the average position at £280,000. Prices vary substantially within the Borough with properties at their cheapest within the urban M65 corridor.

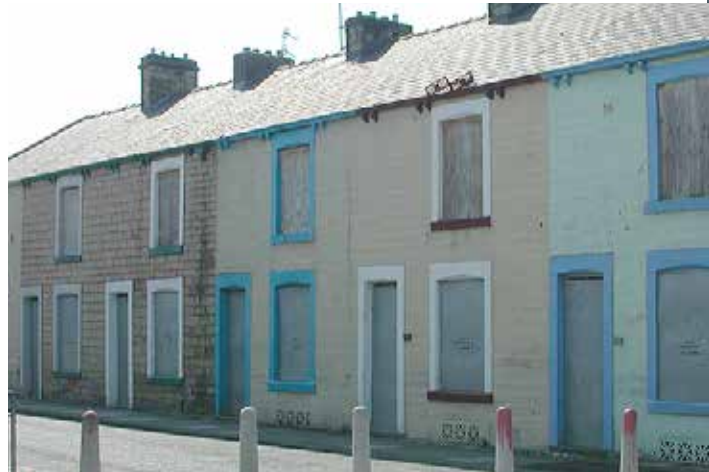
There is a significant need for affordable housing in Pendle with needs assessed at between 187 and 257 dwellings per year. The Council does not own any housing stock, and is reliant on registered providers to meet needs.

LOCAL GOVERNMENT ASSOCIATION PEER CHALLENGE
POSITION STATEMENT – PENDLE BOROUGH COUNCIL 2022

The affordability ratio for Pendle is 4.82 which is significantly below the national average. Affordability is declining at one of the fastest rates in Lancashire driven by high demand in rural areas, limited new stock, the type of housing available for purchase, and low wages.

Viability is a significant challenge in the urban areas of Pendle. The development of greenfield land is not viable without third party intervention in much of the urban M65 corridor, and brownfield development is almost unviable across much of the urban areas of Pendle.

The Council has established a joint venture, PEARL, with local construction company Barnfield as a means to encourage regeneration in the Borough. Homes England funding has recently been secured for the development of affordable housing schemes on a number of major sites within Nelson and Colne. The Council has been successful in bids for government funding to support the regeneration of Colne and Nelson Town Centres attracting investment of £6.5 million (Leveling Up) and £25 million (Town Deal) respectively.



There has been a significant reduction in empty properties in Pendle over the last few years. As of October 2020, there were 1534 empty properties which equates to 3.8% of all dwellings that were vacant. As a comparison, the average for the districts of Lancashire was 3.6%.

Of much greater concern is the number of properties which have been long-term empty. Of the 765 properties considered long-term empty in October 2020, there were 182 empty for over five years and 84 empty for over 10 years. All empty properties are considered a wasted resource and may contribute towards problematic issues such as blight.

The most recent Pendle House Condition Survey revealed that 36.3% failed the Decent Homes Standard and according to the Housing Health and Safety Rating



LOCAL GOVERNMENT ASSOCIATION PEER CHALLENGE
POSITION STATEMENT – PENDLE BOROUGH COUNCIL 2022



System, 22.1% contain a Category 1 hazard. This hazard is excess cold due to the stone construction.

Older homes, which dominate the private rented sector, tend to have a lower energy efficiency rating. This means that households in the lower income brackets are most susceptible to fuel poverty, as they are likely to pay a greater proportion of their income on fuel and keeping warm.

“ With 15% of all households considered to be in fuel poverty, compared to the county, regional and national (England) averages of around 10-11%, tackling this issue remains a key priority for Pendle, particularly in parts of Brierfield and Nelson.

With 17% of all households considered to be in fuel poverty, tackling this issue remains a key priority for Pendle, particularly in parts of Brierfield and Nelson, where one-quarter of all households are estimated to be in fuel poverty. The main factors that determine this are the energy efficiency status of the property, the cost of energy and low household income.

The profile of the rented stock differs markedly from the national profile with private rented housing (18.1%) significantly higher than the national average (11.0%) and the overall proportion of social rented housing is significantly lower at 11.9% compared to 18.0%.

Deprivation

The 2019 Indices of Deprivation reveals that Pendle was the 36th most deprived area out of 317 authorities in England, when measured by the rank of average LSOA rank. This places Pendle within the top 11% most deprived places in England. 18 of its 57 LSOAs are among the 10% most deprived in the country.

Pendle is in the most deprived 20% of the lower-tier councils in England on the IMD average rank measure. In contrast, adjoining Ribbles Valley is in the least deprived 20% in England.



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Health and Well-being

The Healthier Lancashire and South Cumbria Integrated Care System (ICS) is a partnership made up of local authority, public sector, NHS and voluntary and community organisations working together to improve services and health outcomes. Within the ICS, there are five Integrated Care Partnerships including Pennine Lancashire. It aims to connect health and care services across Pennine Lancashire and continue to join up services in the 13 Pennine Lancashire neighbourhoods, known as Primary Care Networks.

Figures for life expectancy at birth reveal that Pendle has male and female averages that are well below the national figures. Life expectancy at birth for males is 78 years compared with England average of 79.4 years. For females the corresponding figures are 81.5 years and 83.4 years.



The Pendle Health Profile, published by Public Health England, reveals that the health of people in the area is generally worse than the England average.

- In Pendle the standardised mortality ratio (SMR) for respiratory disease among all ages is 117.6. For comparison, the SMR for England is always 100.
- For circulatory disease, Pendle has a SMR of 128.3 among under 75 year olds.
- The rate of mortality from cancer in the area is 113.5 SMR.
- The mortality rate from coronary heart disease in Pendle is 136.1 SMR.
- There were 1,503.0 hospital admissions caused by unintentional and deliberate injuries to children and young people aged 0-17 per 100,000 children in Pendle. This compares to the England average of 1,180.9 per 100,000.
- 10.6% of children in reception year and 21.8% of children in year 6 are classified as obese in Pendle. The national average is 9.7% for reception year and 20.4% for year 6 respectively.
- Between August 2019 and July 2020 there were 110 excess winter deaths in Pendle which was the highest of all North West local authorities and third highest in England.



Community Safety

The Council's approach towards community safety is led by Pendle Community Safety Partnership (CSP). The CSP has developed a three-year Partnership Strategy which includes an action plan based on three priorities over the period 2019 – 2022.

- Keeping young people and adults with vulnerabilities safe.
- Tackling the causes of crime through education and early intervention.
- Community engagement in community safety priorities.

In addition the Council is a member of the Pennine Lancashire Safety Partnership and the Lancashire County Safety Partnership.

In common with trends nationally and regionally, crime was down in Pendle during the first year of the Covid-19 pandemic. However violent crime was an exception and there were increases in alcohol related and racially/religiously aggravated crime.

Again, in common with national and regional trends Police recorded antisocial behaviour (ASB) incidents had increased significantly in 2020/21 by just over 100%. This is largely due to incidents related to Covid regulations being classed as ASB. The long term trend for ASB in Pendle is downward and levels are reducing again since restrictions were lifted.

The Council uses a multi-agency case management approach to working with victims at risk of harm from ASB and vulnerable adults with complex needs. This is managed through the Pendle Transforming Lives Panel. The processes work because of the commitment of a range of partners and, primarily, the interventions actioned between Panel meetings.

Children and Young People

There are presently six Children's Centres in Pendle including the Barnoldswick Young People's Centre and the Bradley, Brierfield, Colne, Gisburn Road and Whitefield Children and Family Wellbeing Services.

Key Stage level results in Pendle are markedly below the average for the Lancashire County Council area.

Nelson and Colne College is the main provider for post-16 education in the area. It is located at Scotland Road in Nelson. It has a sixth form college and also provides courses for adults. It has held Beacon Status since 2006.

The proportion of 16 to 18 year olds not in employment, education or training in Pendle is 7.4% in comparison to the England average of 2.7%.

Attainment of qualifications and attendance at higher education institutions is lower in Pendle than the national average though this is steadily improving. No university is based within Pendle, although University of Central Lancashire (UCLan) maintains a campus in Burnley.



Employment and Income

There are around 33,500 jobs within Pendle and 2,950 employers. There is a net outflow of commuters to neighbouring areas (mainly Burnley) although this relationship is two way. Only 10 employers based within the Borough employ more than 250 people with the majority employing less than five. Around 30% of residents in Pendle are employed in the manufacturing industry. This is significantly higher than the regional and national averages and is the second highest in England.

Pendle forms part of one of the largest aerospace manufacturing clusters in Europe which stretches west across Lancashire to the Fylde. Rolls-Royce in Barnoldswick is a core part of this cluster. Operations at Rolls-Royce are currently being rationalised following the effects of the pandemic on the aerospace industry with significant job losses feared. This is likely to have a knock-on effect to suppliers also based within the Borough.

Pendle is also an important centre for manufacturing bicycles and health/sports foods/proteins. The major employment site within the Borough is Lomeshaye which is a relatively modern industrial estate built following the development of the M65 motorway.

Retail, health and education make also an important contribution to the economy of Pendle and are major employers. The largest employer in the Borough is Boundary Mill Stores which is based in Colne. Retail presence within the town centres is largely made up of small independent outlets – a strength in towns like Colne and Barnoldswick.

Tourism is becoming increasingly important to Pendle with visitors attracted by the high quality landscape, industrial legacy, and cultural history. The Council has had success in marketing the Borough as a destination for cyclists.

The relatively narrow industrial base of Pendle and its reliance on the manufacturing industry means it is especially at risk of economic decline. The Borough took significantly longer than the wider region to recover from the 2008 economic recession and early data suggests that residents and businesses have been hit particularly hard by the economic effects of the pandemic with recovery slower than the regional and national average.

The industrial base of Pendle also affects wages. Weekly wages (£510.90) are lower than the regional (£575.80) and national averages (£612.80). This disparity is even more significant for residents of the Borough (£477.10) with inward commuters tending to take higher paid jobs. The lowest wages are concentrated in Brierfield, Nelson and Colne.





Connectivity

The main focus for public transport in Pendle is the Nelson Interchange, which opened in December 2008, providing direct connections between local bus and rail services. The major provider of local bus services is Transdev. High quality services operate between Burnley, Nelson and Colne, with more limited services operating to West Craven, Skipton and Keighley. Recently enhanced services now operate within the rural area.

There are three railway stations in Pendle in Brierfield, Nelson and Colne. An hourly service to Blackpool from the terminus in Colne connects with services on the West Coast Mainline between London and Scotland in Preston. It also serves intermediate stations in Burnley and Blackburn. From Burnley, trains run to Manchester and Leeds.

The Council supports efforts to reinstate the dismantled railway between Colne and Skipton which would provide an alternative transpennine route to heavily used rail links between Leeds and Manchester.

Three single carriageway roads – the A682, A56 and A6068 – are the main road routes to the Pennines and into Yorkshire. Since the M65 motorway reached Colne in the mid-1980s, the volume of traffic on these routes has grown significantly. To alleviate congestion along the North Valley in Colne and along the A56 through the villages of Foulridge, Kelbrook and Earby, the Council has actively pursued the construction of a bypass along an economically viable alignment that does not prejudice the re-opening of the Colne to Skipton railway.

Digital Connectivity

The Council is pushing strongly for high speed broadband across the whole Borough to improve digital connectivity.





Spatial Planning

The Core Strategy (adopted in December 2015) sets out the strategic policies of the Development Plan. The Plan follows an economic led approach to meeting development needs, adopting an objectively assessed figure of 298 dwellings per annum as the housing requirement to 2030. It sets out the strategic approach to meeting development needs, with an urban centric approach orientated towards the M65 urban corridor, and two strategic sites for housing and employment at Trough Laithe and Lomeshaye.

Policies influencing the determination of applications and shaping new development proposals relating to the built and natural environment, design, energy efficiency, industrial land and town centres also feature within the Core Strategy.



Work to prepare the second part of the Local Plan, which would allocate sufficient land to meet residential development needs identified within the Core Strategy and update development management policy, has recently been paused. This follows a decision made at Full Council in December 2021 to revisit the Core Strategy and draft Local Plan and supporting policies to protect greenfield sites, and to take account of proposed planning reforms.

There are currently two Neighbourhood Plans within Pendle (Barrowford and Trawden Forest). A further two neighbourhood plan areas have been designated by the Council (Colne and Kelbrook). The final drafts of both plans are expected to be submitted to the Council shortly.

Local Housing Needs assessed using the standard methodology for Pendle indicate a need for 142 dwellings. This figure is significantly lower than the adopted housing requirement.



As of 1st April 2021 the five year supply for Pendle (based on the Local Housing Need for Pendle) is 7.4 years. Housing delivery has in the last three years been particularly strong (an average of 287 dwellings). As a result the Housing Delivery Test result for Pendle for 2021 is likely to be around 200%.

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Tourism and Recreation

Almost 62% of the Borough (16,660 hectares) is designated as open countryside, with the three peaks of Pendle (557m), Weets (397m) and Boulsworth (517m) overlooking a gently rolling landscape containing some of the most interesting and attractive villages in Lancashire. Those lying in the shadow of Pendle Hill are famously linked with witchcraft, whilst the hamlet of Wycoller has associations with the Bronte sisters.

The Leeds and Liverpool Canal is a major feature and attraction within both the urban and rural areas. Marinas are to be found at Barnoldswick, Reedley and Salterforth. The reservoirs that feed the canal are popular with water sports enthusiasts and are a haven for local wildlife. But it is simply the opportunity to take walks and to cycle in the beautiful countryside that is the Borough's greatest attraction.

Tourism provides an important contribution to the local economy. There are currently 46 visitor attractions in the district. Whilst there are 59 accommodation providers there is a general shortage of hotel and tourism beds which is a block on the further development of this sector. Whilst the years before 2020 had seen steady increases in the numbers and value of tourism to the local economy, the pandemic has had a drastic effect and there is no doubt it will take a while for businesses to recover.

Many hospitality and tourism businesses are based in Pendle's very distinctive villages and in its town centres. Recovery is very important to local communities and to whether the area as a whole thrives.

Municipal parks help to bring the countryside into the urban areas and eight have achieved green flag status. Although each town has areas of formal parkland, access to good quality informal green spaces is limited in many neighbourhoods particularly in Nelson, Colne and Barnoldswick.

Sports facilities allow people to participate in a wide range of activities that help to support healthy lifestyles. The Pendle Open Space Audit (2018) records a total of 78 outdoor sports facilities covering a total of 259 hectares, almost one quarter of all open space provision in the Borough.

The Council maintains football and rugby pitches, cricket wickets, tennis courts and bowling greens across the Borough. There are four golf courses. Four sports centres in Nelson, Colne and Barnoldswick are operated by Pendle Leisure Trust on behalf of the Council. Three of these sports centres incorporate a public swimming pool, gymnasium and fitness suite, with the fourth providing a gymnasium and running track. Pendle Wavelengths in Nelson also offers a modern health spa.

The Stephen Burke Sports Hub, named after the Olympic gold medal winning cyclist, is located in the heart of the Borough. It includes a 1.1km road circuit, supplemented by a BMX pump track.





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Our Priorities

Our Vision, Values, Strategic Objectives and Priorities are set out in our Strategic Plan 2020/23 which was developed with input from all services at every level. It is summarised in our “plan on a page” below. Originally it was based on four strategic objectives; the fifth relating to our response to and recovery from Covid was added in the 2021-22 refresh in July 2021.

It is our intention to begin work later this year on a fundamental review of the Plan and its vision for the Borough and embracing our approach to Transformation and taking into account the messages from this Peer Challenge.

1

Working with partners, the community and volunteers to provide services of good value **(STRONG SERVICES)**

Through effective partnership working we will ensure that we procure and provide good value services that meet the needs of residents, visitors, and businesses. We will prioritise resources accordingly and operate decision-making structures that are open, transparent and accountable, ensuring we keep critical services going.



“ **As a Council we have signed up to the vision and we are committed to working with our partners to ensure that:** ”

Pendle Council 2020 - 2023

2

Helping to create strong, sustainable economic and housing growth **(STRONG ECONOMY)**

We will work with our public sector and private sector partners to generate jobs and economic and housing growth in Pendle in a way that secures its long-term economic, environmental and social wellbeing.

3

Helping to create and sustain resilient communities **(STRONG COMMUNITIES)**

We will acknowledge and build upon the Borough's diversity, demonstrating our community leadership role by working with and empowering our partners and local people to provide clean, healthy, safe and cohesive communities. We will endeavour to maintain the quality of our green, rural and urban environment through effective and efficient services, education, community and voluntary engagement, partnership working and, where necessary and appropriate, enforcement.



Pendle is a place where quality of life continues to improve and where people respect one another and their neighbourhoods...

We want Pendle to be a place where everyone aspires to reach their full potential...

We want to be recognised locally, regionally and nationally as a great area to live, learn, work, play and visit.

Strategic Objectives

4

Maintaining a sustainable, resilient and efficient organisation which is Digital by Default **(STRONG ORGANISATION)**

We will ensure that, as an organisation, we are suitably placed to deliver the priorities identified for Pendle and its residents. To do this we will employ the right people with the right skills in the right job. We will maintain robust financial processes, standards and systems optimising the technology and resources we have available to us, making us more efficient and effective in our service delivery and becoming Digital by Default.

5

Delivering our COVID19 response and recovery whilst working towards rebuilding, restoring and rehabilitating our communities **(STRONG RESPONSE AND RECOVERY)**

We will work with our partners and the community, in line with national developments and decisions, to continue to effectively respond to the COVID19 pandemic and enable the transition to recovery via delivery of our Plan for Recovery. We will do this in a co-ordinated way whilst being supporting and sympathetic to the needs of the community and affected individuals, taking into account the resources available.

Our Values

Pride

Take pride in all you do
Believe in Pendle and be an ambassador for the Council
Don't forget our customers

Enterprising

Be open to doing things differently
Ensure public money is spent in the smartest way
Don't ignore new ways of working

No blame

Don't be afraid to fail. Together we achieve more
Act in an open, honest and friendly manner
Don't ignore the impact your behaviour has on others

Determined

Face challenges in a positive way
Make the effort to find information out yourself
Don't limit your opportunities to learn and grow

Listen

Listen to and support others
Value alternative views
Don't forget to thank others for their contribution

Equality

Value differences and celebrate diversity
Ask for help and support when needed
Don't make assumptions about people.



Our Leadership

Political Make-Up and Leadership

In 2019 the Council underwent a review of its electoral arrangements by the Local Government Boundary Commission. This reduced the number of councillors from 49 to 33 and the number of wards from 20 to 11. These are a mix of three, two and single member. The Council continues to have elections by thirds.

For most of its existence the Council has been under No Overall Control. Whilst this has sometimes presented difficulties in decision making, a feature of the Council is broad consensus across the political groups.

The review of electoral arrangements led to all out elections in May 2021 which resulted in a majority Conservative administration.

Current Political Composition

Conservative	18
Labour	10
Liberal Democrats	5
Total	33

Officer Leadership and Management

Our senior management structure has for the last six years been a Chief Executive/Director model along with a number of Service Managers and Heads of Service.

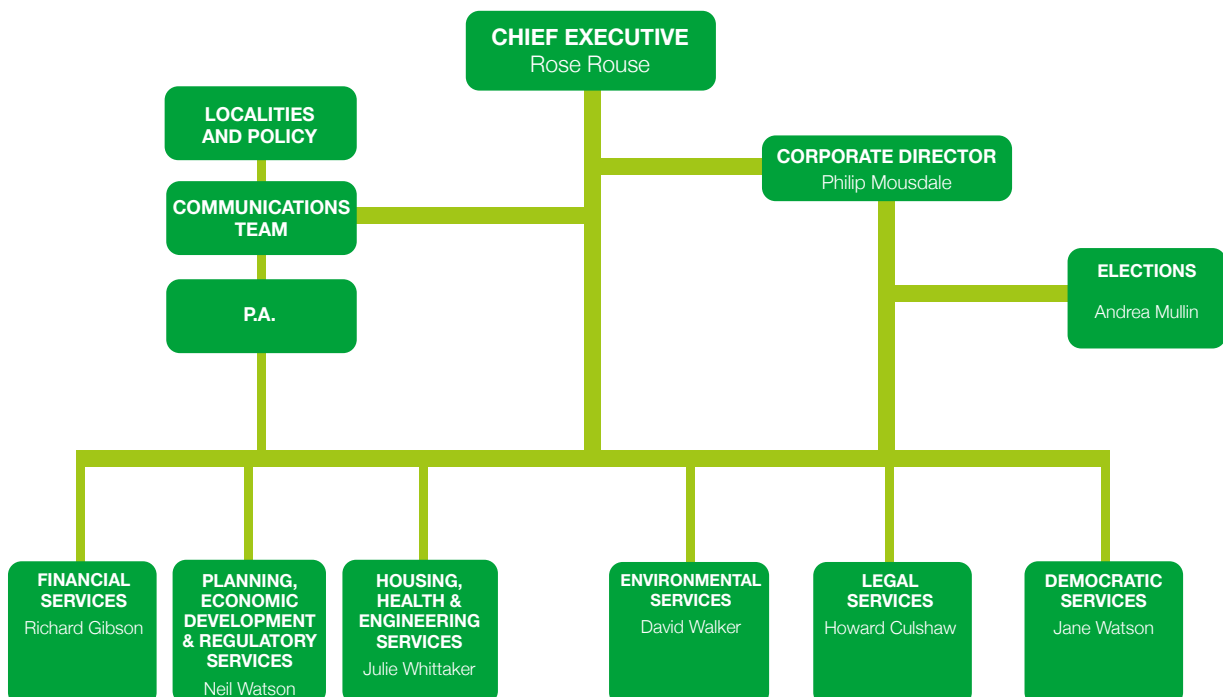
As well as providing strategic leadership for the Council, both the Chief Executive and Corporate Director have line management responsibility for Service Managers and Heads of Service. The Directors, Service Managers and Heads of Service plus the HR Manager from Liberata, form the Council's Management Team which meets on a fortnightly basis.

The Chief Executive is the Head of Paid Service, the Corporate Director is the Monitoring Officer and Returning Officer, and the Financial Services Manager is the s151 Officer.

In 2021 both the Chief Executive and Financial Services Manager posts became vacant with their replacements arriving in October and November.

The Council recognises that as part of the Transformation programme the structure is in need of review to ensure that we are providing services in the most efficient and effective manner. It also has growing concerns as to whether we have the necessary staffing resources to deliver major new initiatives such as the Nelson Town Deal, Levelling Up projects and our participation in the development of the County Deal.

The Peer Challenge Team's observations on this would be welcome.



Partnership Working

We have always prided ourselves on our ability to play a leading role in partnerships and working effectively with our partners. The Council has various partnership arrangements - regional, sub regional and local, including:

- Public/Private partnership with Liberata for a range of frontline and support services and the provision of a Business Centre (Number One Market Street) in Nelson Town Centre
- PEARL Joint Venture arrangements with Barnfield Investment Properties and more recently with Together Housing for the development of sites for residential, commercial and community use
- Leisure Trust for the provision of leisure services and facilities across the Borough
- PLACE (Pennine Lancashire Association of Leaders and Chief Executives) which brings together East Lancashire District Councils, Blackburn with Darwen Borough Council and Lancashire County Council to consider strategic economic development, transport and housing matters.
- Pendle Vision Board which is a partnership with key Pendle businesses. The Vision Board is chaired by Dennis Mendoros OBE, a prominent businessman in the North West of England. Amongst other matters, the Vision Board advises on the long term economic development of Pendle, lobbies for funding and promotes Pendle as a place to do business
- shared services/partnership working arrangements with other local authorities which include a night time noise nuisance service with Blackburn and Darwen Council; providing a land charges service to Hyndburn Council; providing tree preservation conservation services to Craven District Council; engineering services to other Lancashire authorities
- the provision of an Apprenticeship and Training Centre located in Nelson (the YES hub) in partnership with both Nelson and Colne College and the Department for Work and Pensions
- the Pendle Children's Partnership Board which focuses on children's issues including safeguarding
- East Lancashire Health and Well-being Board which is a partnership with the health sector and considers public health issues.

Community Leadership

We demonstrate our community leadership via our Community Engagement Framework adopted in August 2020. We aim to make community engagement a part of everything we do in providing services and in our partnership working. The Framework relates back to our Strategic Vision and Strategic Objectives and sets out in detail our approach to provision of information, consultation and wider engagement.

Full implementation has unfortunately been stalled somewhat by the pandemic but we have just concluded a Borough wide public survey *Life in Pendle*, developed in conjunction with pupils at Nelson and Colne College. The results are currently being analysed.

Parish and Town councils

We have 18 town and parish councils and a parish meeting and the Borough is wholly parished. All the parish and town councils have representatives on our area committees. We also consult with them on specific issues affecting their areas or the Borough as a whole.

We work with them on local schemes such as making up back streets and improving play areas with sharing of costs and allocating grants from our area committee capital budgets.

For the last seven years we have been engaged on a comprehensive Transfer of Facilities and Services to town and parish councils. The rationale behind this is a combination of devolution to the lowest level of administration, revenue savings for the Council and protection of the assets for local communities should Pendle become part of a large unitary authority.

Assets transferred include Colne Town Hall, community centres, parks, play areas, public conveniences, bus shelters, pieces of open space land and car parks.

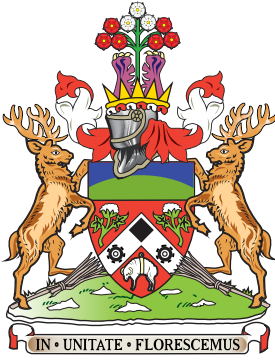
Lancashire County Deal

A current, very important development, is the County Deal for Lancashire. The political leaders of all the councils in the county have reached a consensus to work together to investigate the potential for this. An overarching strategic plan looking to Lancashire in 2050 is being developed with core themes of:

- economic growth and investment
- transport, development, connectivity and infrastructure
- early years, education, adult skills and employment
- environment, climate change and housing quality.

The ask of the Government will be in the order of £5 billion investment to address local needs and priorities in the next 5-10 years, together with devolved powers and flexibilities.

All leaders have agreed to seek the formal support of their councils for this during January. Pendle's meeting is to be held on 27th January.



Our Governance and Culture

In May 2018 the Council changed its governance arrangements from the Leader/Cabinet model to a streamlined Committee system. The Policy & Resources Committee leads the Council in developing strategic policy and financial strategy. It currently has nine members politically balanced on a 5:3:1 split as below.

Cllr. Nadeem Ahmed (Leader)	Conservative
Cllr. Mike Goulthorp	Conservative
Cllr. David Cockburn-Price	Conservative
Cllr. Sarah Cockburn-Price	Conservative
Cllr. Karen Haworth	Conservative
Cllr. Mohammed Iqbal	Labour
Cllr. Mohammed Hanif	Labour
Cllr. Zafar Ali	Labour
Cllr. David Whipp	Liberal Democrat

The Council's other committees and chairmen are as follows:

Accounts and Audit Committee
Cllr. David Cockburn Price (Con)
Licensing Committee
Cllr. Jennifer Purcell (Con)
Taxi and Other Licensing Committee
Cllr. Kieran McGladdery (Con)
Employment Appeals Panel
Cllr. Jennifer Purcell (Con)
Standards Hearing Committee
Independent Person
Restructuring Committee
Cllr. Nadeem Ahmed (Con)
Senior Appointments Committee
Cllr. Mike Goulthorp (Con)
Barrowford and Western Parishes Committee
Cllr. Linda Crossley (Con)
Nelson, Brierfield and Reedley Committee
Cllr. Naeem Ashraf (Lab)
Colne and District Committee
Cllr. David Cockburn Price (Con)
West Craven Committee
Cllr. Rosemary Carroll (Con)

The Council has also appointed six champions:

Cllr. Neil Butterworth (Con)
Armed Forces
Cllr. Donna Lockwood (Con)
Every Child Matters
Cllr. Mohammed Aslam (Con)
Dementia, Disability and Mental Health
Cllr. Karen Haworth (Con)
Health and Wellbeing
Cllr. Neil Butterworth (Con)
Older People
Cllr Mohammed Adnan (Con)
Young People

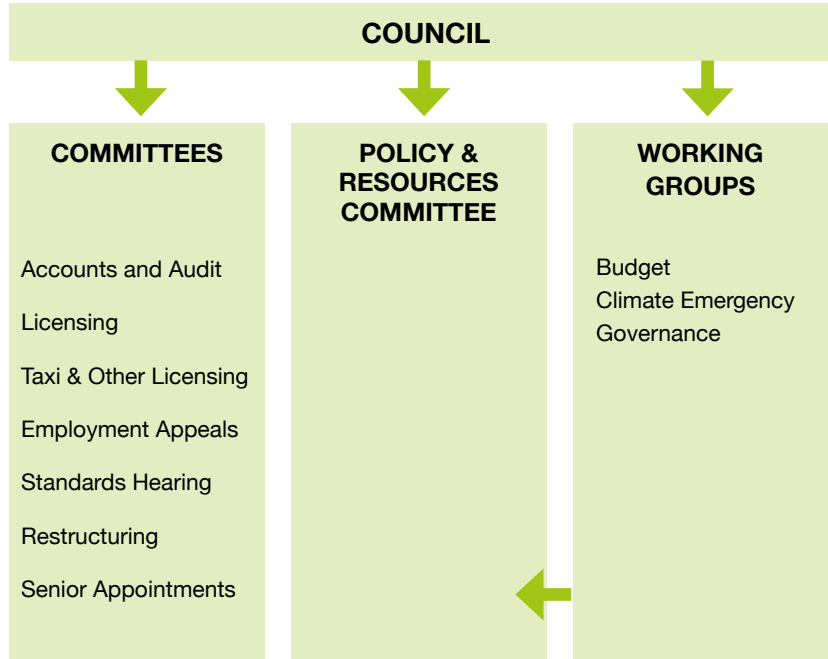
Governance and Decision Making

This page provides a summary of our current governance arrangements.

Committees are appointed at Annual Council.

Localism is at the heart of our governance and decision making processes via our area committees which have wide terms of reference. These enable decisions to be made by people who understand the specific localities and have the best interests of the area at heart.

That said the Council is starting to look at the committee structure as part of the Transformation Programme to ensure it is still fit for purpose. The Peer Challenge Team’s observations on its operation would be welcomed.



Councillor Development

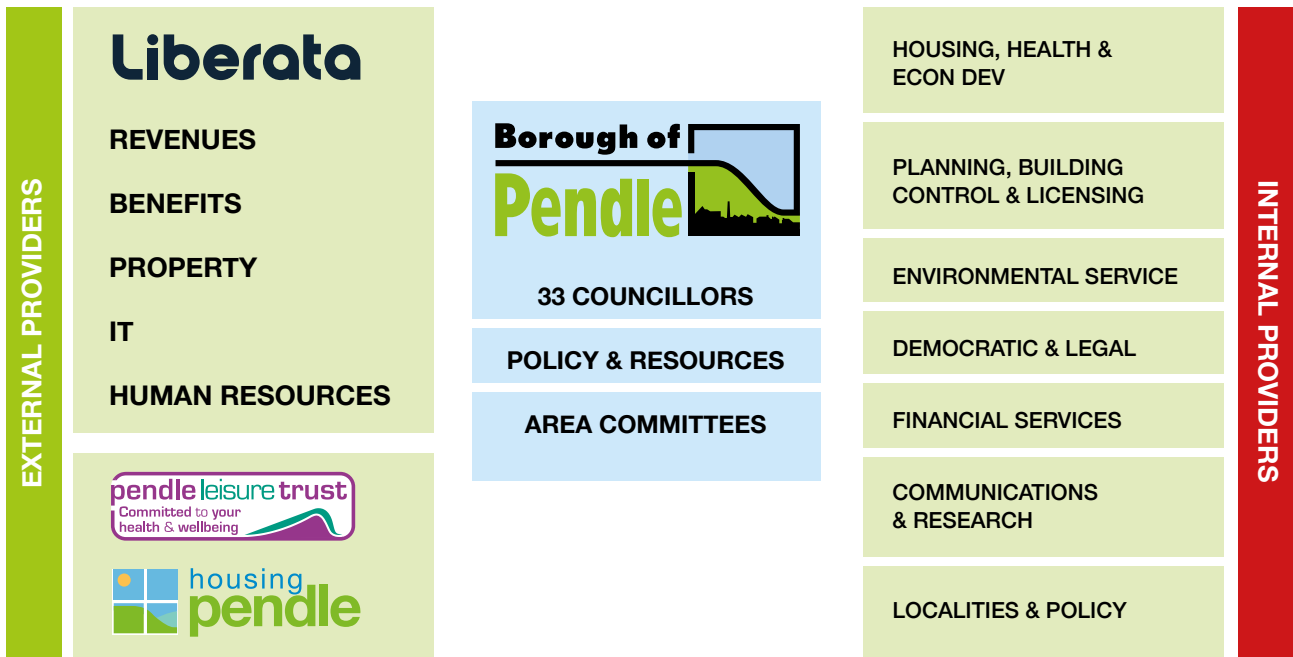
Our Councillor Development Programme has declined over the years for a variety of reasons including poor attendance. The Corporate Director is currently looking at how the Council can revive the programme and reinvigorate councillor participation and development.

Councillor Remuneration

The councillor basic allowance is £3,000 and special responsibility allowances range from £500 to £4,000. The amounts have not been increased since 2018 due to the Council’s financial position.

We would welcome the Peer Challenge Team’s advice on how best we can deliver training and support in future to ensure that councillors can be more effective in their respective roles.

“ The Council is starting to look at the committee structure as part of the Transformation Programme to ensure it is still fit for purpose



Service Delivery Model

Pendle has a mixed-economy model of service delivery comprising some internally provided services, some outsourced services, a Leisure Trust and a housing stock transfer partner.

The following is noteworthy about the Service Delivery Model:

- The Council created one of the first full service Trusts in the UK with responsibility for the management and development of a wide variety of leisure related facilities and activities. Our Leisure Services were transferred to this separate charitable organisation, Pendle Leisure Trust, in October 2000.
- The transfer of our housing stock to the newly formed Housing Pendle (now part of the Together Housing Group) was undertaken in October 2006. The stock transfer provided £45m investment for tenants.
- The Council entered into a 15-year strategic partnership agreement with Liberata in February 2005 to deliver Customer Services, Human Resources, IT, Property Services, and Revenues and Benefits services on our behalf. The aim was to improve the services provided to citizens, maximise revenue and reduce costs. The agreement also required Liberata to provide a 300-seat Business Centre in Nelson (now known as Number One Market Street.) it was opened in 2009 and has contributed to the regeneration of Nelson town centre with the provision of 300 jobs. The agreement with Liberata has been extended for a further 10 years.

In addition, the Council has three joint venture companies with Barnfield Investment Properties which form PEARL (Pendle Economic and Regeneration Ltd). Most recently a fourth company PEARL Together was created which also includes Together Housing. As well as providing significant private sector investment these companies all undertake considerable work alongside Council staff in developing regeneration schemes in the Borough.

Staffing

Workforce Development Strategy

The Council's Management Team acts as the Organisational Development Board. It receives regular reports from the HR Manager on progress made with the action plan and proposed future strategies to further develop the organisation's outlook and effectiveness.

The Workforce Development Strategy was agreed in November 2021. It comprises the following priorities supported by an action plan which is currently being implemented:

- Recruitment and Resourcing
- Reward and Recognition
- Development
- Employee Engagement
- Wellbeing and Diversity
- Technology to Drive Improvement

In support of the strategic human resources work, there are a number of policies and procedures that ensure there are the right measures in place to support and motivate staff. This enables them to be as flexible as

possible to respond to the changing environment we are working in. These include:

- Flexible Working Policy
- Agile Working Policy
- Health & Wellbeing Strategy including regular programme of events for staff
- Leadership & Management Development Programme including 360° feedback
- Employee Learning and Development Plan, including regular IT Workshops
- Strong Performance Management Review and Personal Development process
- Enhanced Maternity/Paternity/Adoption Leave Policy & Maternity Policy and Shared Parental Leave Policy
- We are a Mindful Employer and hold the Disability Two Ticks accreditation.

Employee Surveys

We conduct biennial employee surveys with the most recent survey undertaken in January 2022. The results are currently being analysed. The previous survey was in October 2019 when the response rate for the survey was 75% of all staff. The key findings / actions were reported to Management Team in November 2019.

Recruitment

Like many councils we have recently experienced severe difficulties in recruiting staff in several service areas. This has led to temporary engagement of agency staff at much greater cost which is unsustainable.

Staff Absence and Pressure

The annual target set for 2020-21 for short and long term absence was eight days lost per employee, and the actual year-end figure was 8.7 days. Almost two thirds of these absences were due to stress, depression, mental health and fatigue related illness. Undoubtedly this is linked to the fact that employees continued to deliver an unbroken service during the pandemic whilst vulnerable colleagues had to isolate.

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Our Financial Planning and Management

The Council's latest Medium Term Financial Plan was reported to Policy & Resources Committee on 24th June 2021.

This set out a position for the current year of 2021/22 which requires use of reserves of £0.680m in order to achieve a balanced position.

It also set out the further potential budget shortfall of £1.920m, £2.873m and £3.533m for 2022/23, 2023/24 and 2024/25 respectively, shown in the table below.



£'m	2021/22	2022/23	2023/24	2024/25
Net Expenditure	12.539	13.894	14.965	15.755
Less Retained Business Rates	(4.093)	(4.019)	(3.944)	(3.871)
Less Revenue Support Grant	(1.170)	(1.194)	(1.218)	(1.242)
Fiscal Gap	7.276	8.681	9.803	10.642
Council Tax (at 1.99%)	(6.596)	(6.761)	(6.930)	(7.103)
Funding Gap	0.680	1.920	2.873	3.539

This is a stark position for the Council after many years of tight financial control and austerity which saw the level of central Government funding reducing whilst also capping Council Tax increases.

In previous years, finance reports have focused on the key themes of; Growing, Charging, Saving and Stopping. Many different options have been explored including reductions in staff as managers look to slim down establishments whilst still providing the same level of services.

Many different options have been explored including Public Private Partnerships, creation of a Leisure Trust and Joint Venture companies, all of which have gone some way towards managing the Council's finances in previous years.

The Growth element has been successful in the past but is now struggling as the economy looks to grow back slowly from the impact of the pandemic. This can be seen in both the Tax Base figures for Council Tax and the Business Rate figures including the multiplier which has not been increased.

The charging and saving elements were included in a report to the Policy & Resources Committee on 25th November 2021 of the work done by the Budget Working Group. The Committee agreed the following:

- cemetery fees – 50% premium for non-residents
- increased Garden Waste charge based on an increase of £2 annually for both 2022/23 and 2023/24
- reduction in mechanical street sweeping
- reduction in manual street sweeping
- revised verge maintenance arrangements.

The total impact of these changes will be to reduce the net expenditure budget down by £0.073m in 2022/23.

Other factors in the Medium Term Forecast

Pay Award

The pay awards for both 2021/22 and 2022/23 are still to be agreed.

Inflation

The economy has seen inflation grow beyond the Bank of England target rate of 2% reaching 5.1% in the December figures published by Office of National Statistics. This has a negative impact as the largest contract of the Council with Liberata is based on these inflation indices.

In addition, the cost of other direct purchases such as fuel and gas will have a material impact on budgets in future.

The increase in inflation is new pressure over and above the assumed position from June 2021 by at least £0.070m.



Pendle Leisure Trust (PLT)

The forecast assumed no increase in the management fee payable to PLT over the three years leaving PLT to absorb additional costs. In addition to this there is a final saving of £0.085m from the closure of the ACE centre and further savings are to be pushed with PLT asked to remodel services in order to work within a reduced fee.

Housing Growth and Tax Base increases

The Tax Base for the Council has remained flat between 2021/22 and 2022/23 with the increase in discounts offsetting the increase in the number of new dwellings. This is a slight downward position when compared to the forecast.

Business Rates

The forecast predicted a 1.875% reduction in Business Rates in each of the three years and given the continued slow recovery from the pandemic there is no reason to uplift this position at this stage.

Autumn Budget and Spending Review

The Autumn Budget and Spending Review 2021 figures show a real terms increase in funding for local authorities from £9.1bn in 2021/22 to £10.6bn in 2022/23 followed by a flat position of £10.7bn in 2023/24 and 2024/25.

Whilst this provides some certainty over the next three years for the Council, it means that 2022/23 will be the 'best' year of the three in the next forecast.

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Provisional Local Government Financial Settlement

This had both good and bad news for local government. The impact for Pendle split out across the four main funding areas is set out below.

1 Council Tax

The Settlement assumes and allows for an increase of 1.99% in Council Tax with any increase above 2.00% being subject to a local referendum. This increase is already included in the forecast.

2 Business Rates

There is no increase in the Business Rate multiplier so no growth in Business Rates income. But with additional pressure on collection as businesses struggle to recover from the effects of the pandemic, Government has made up the difference in the multiplier via an external grant (see below).

3 Revenue Support Grant (RSG)

The Settlement increased the baseline RSG allocation from £1.170m to £1.206m which is £0.036m or 0.6%.

Items 1, 2 and 3 make up the base funding for the Council. The net impact of these three year on year is an overall increase of £0.092m. However, the increase in pay award, contract inflation, and inflation on just gas and fuel amounts to £0.390m, a net increase in the base fiscal gap of £0.298m.

Overall Council Position

This table illustrates that the Council's total Core Spending Power has not moved between 2021/22 and 2022/23. Furthermore, excluding Council Tax rises, this total is unlikely to increase until 2025/26, and indeed a static position is likely to be the best case scenario.

£ billion	2021/22	2022/23	Movement
Council Tax Requirement	6.596	6.767	0.171
Settlement Funding Assessment	5.242	5.278	0.036
Base Funding	11.838	12.045	0.207
Additional Grant Funding			
Business rates multiplier	0.212	0.335	
New Homes Bonus	0.168	0.462	
Lower Tier Services Grant	0.173	0.183	
2022/23 Services Grant	-	0.281	
Core Spending Power	12.391	13.305	0.914
Other Funding included in MTFP			
Local Council Tax Support	0.235	-	
Covid-19 Funding	0.633	-	
Council Tax Base Adjustment		-0.040	
Adjusted Core Spending Power	13.259	13.265	0.006

The Government has made no further provision in respect of general fund Covid-19 funding so any demands on the Council will need to be funded from existing resources and unspent Covid grant carried forward from previous years.

4 Additional Grant Funding

The Provisional Settlement did include some good news for the Council with the extension of some time-limited funding and the introduction of new funding which is set out below:

• New Homes Bonus (NHB)

Government extended the scheme which boosted the assumed position by £0.321m to £0.462m. This is a good position in isolation but the future of NHB remains uncertain and the Council's position relative to other councils in its Nearest Neighbour model, and across Lancashire, is less impressive with Pendle ranked 18 out of 23 in terms of gross grant received.

• Lower Tier Services Grant

This grant was introduced in 2021/22 for one year but has been rolled on again. This boosts the assumed position by £0.183m. There is no future guarantee over this grant.

• Central Services Grant

This is a new grant introduced in 2022/23 and will form part of the base funding in future years so can be included in future years' figures to some extent, though Government also reserved the right to amend the allocation methodology.

Fair Funding Review

The impact and timing of the Fair Funding Review remains unclear. The Government will consult the sector next year about “updating the system”.

Summary

The Provisional Settlement has provided some additional funding but this is time limited with no guarantees on future allocation. To that degree this settlement effectively provides a 12 month respite from the inevitable serious financial decisions that the Council faces.

In fact the ‘gap’ between expenditure and income grows each year as Core Spending remains flat whilst the expenditure base increases and financial decisions will only become harder as we move forwards.

The current three year forecast predicted that £9.012m of reserves would be required to balance the Council’s budget until 2024/25. Updating this reduces the Year 1 gap but even on a best case scenario this gap continues to grow again so that £8.262m of reserves is still required over the three years to 2025/26.

£'m	2022/23	2023/24	2024/25	2025/26
Funding Gap as at June 2021	1.920	2.873	3.539	4.205
Additional External Funding*	(0.785)	(0.785)	(0.785)	(0.785)
Provisional Revised Gap	1.135	2.088	2.754	3.420

* - future years are indicative only

If no action is taken to reverse this trend it will prove extremely difficult to plan ahead with any certainty. The impact of this could be seen in major capital scheme such as the Town Deal and Levelling Up Fund which have ongoing revenue consequences.

“ The current three year forecast predicted that £9.012m of Reserves would be required to balance the Council’s budget until 2024/25.



Our Capacity for Improvement

Transformation Programme & Future Saving

The Full Council meeting on 9th December 2021 established a Reserve of £250k to allow us to pump prime a programme of Transformation to enable us to set out ways in which it can produce a balanced budget in future years.

As a first step the Council has engaged an experienced

Transformation Director on a nine month contract. He will work under the direction of the Chief Executive and report regularly to a Working Group of senior Members and the Policy & Resources Committee.

Further usage of the £250k is expected to include engagement of business analysis and service expertise, specialist legal advice on existing and future contracts, and development of digital services.

Key Strategic Transformation Opportunities

Service	Opportunity	Impact in 2022/23
Leisure Trust	Current revenue costs are a significant percentage of total net budget and current forecast shows those increasing. Buildings will also require considerable capital to maintain. There is an opportunity to review the current provision to ensure services align to resident need and are delivered most efficiently. The Wavelengths site currently forms part of the Town Deal.	Potential to take savings in 2022/23 onwards
Liberata service/ contract review	The contract makes up a significant element of the Council's revenue budget and delivers a number of key services to residents (including customer services, council tax collection and welfare benefits). There is a priority need to review the current contract, associated costs and the alignment with the Council's own services and that of its partners to ensure the best outcomes for residents.	Unlikely to apply in 2022/23
Environmental Services Review	The environmental services department deliver a number of critical and highly visible services across the Borough. They face continuing pressures across recruitment/retention, fuel prices, vehicle maintenance and going forward to meet eco targets. There is an opportunity to review the current service design and delivery model.	Unlikely to apply in 2022/23
Corporate Estate	The Council currently owns and maintains a number of buildings including in Nelson Town Centre (and through Liberata contract). There is a significant opportunity to provide facilities that better meet resident needs, allow a more joined up approach with private and public sector and significantly reduce costs.	Unlikely to apply in 2022/23
Democracy & Governance	The current political governance arrangements are very expensive and place an administrative pressure on staff and councillors. A review of arrangements, whilst providing efficiency opportunities, would also allow consideration of how they might better support strategic objectives and longer-term planning.	Potential to take savings in 2022/23 onwards
Capital Programme Review	Review Capital Programme to remove slippage and to identify scheme which can be removed so that the Minimum Revenue Provision budget and cost of borrowing budgets can be reduced.	Potential to take savings in 2022/23 onwards
Building Control	Alongside a fundamental review of fees to include a review of resources, service design, marketing, process/systems and automation.	Potential to take savings in 2022/23 onwards

Service Transformation Opportunities

The following have so far been identified with the expectation of more to come as the Transformation programme proceeds.

Service	Opportunity	Impact in 2022/23
Disability Facilities Grants	Covid has resulted in a back log in work (ability to access and complete works) but has also identified an opportunity to review our current approach, funding and service model. There are critical legal requirements on the Council, therefore it is vital the approach is reviewed.	Potential to take savings in 2022/23 onwards
In-house Printing Service	The service requires significant capital investment to maintain the service. There is therefore a need to look at the current business model and consider options alongside policies to ensure the approach is financially sustainable. Needs to work alongside a paper-light approach to reduce waste.	Potential to take savings in 2022/23 onwards
Pest Control	There is the opportunity to consider the current fees and service business model in view of the competitive private sector market. This will ensure the most efficient effective model.	Potential to take savings in 2022/23 onwards

The Council would very much welcome the Peer Challenge Team’s observations and recommendations on the direction and ambit of the Transformation Programme.

Pendle Council

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