Report Title	Strategic Performance Report – Quarter 1, 2026/27
Meeting	Executive
Meeting Date	27th August 2026
Report Author	Marie Mason and Gemma-Louise Wells
Directorate	Resources & Chief Executive
Lead Executive Member(s)	Housing, Corporate & Performance Portfolio: Cllr Ammer Finance Portfolio: Cllr Hanif
Wards Affected	N/A
Public. Part Exempt, or Fully Exempt	Public
Appendices (if any)	Appendix A – Performance Summary: Quarter 1, 2026/27 Appendix B – Council Key Priorities Report: Quarter 1, 2026/27 Appendix C - KPI Report: Quarter 1, 2026/27 Appendix D – Q1 2026/27 Revenue Budget Projected Outturn Appendix E – Q1 2026/27 Capital Budget Monitoring

1. Executive Summary

1.1 The purpose of this report is to provide the Executive with performance and budget monitoring information for the period for the period 1st April 2026 – 30th June 2026.

2. Recommendations

For the reasons set out in this report, Executive is recommended to:

2.1 Comment as appropriate on the performance monitoring information provided and note the update.

2.2 Approve an addition to the 2026/27 capital programme of £50k resulting from the updated ICT Strategy and Delivery Plan as set out in paragraph 10.12 below to be funded by prudential borrowing.

3. Information: the Rationale & Evidence for the Recommendations

3.1 The purpose of this report is to bring together performance information on the progress made with the delivery of the corporate priority actions in the Council Plan, the Council's KPIs, financial plans and risk management arrangements for the period 1st April 2026 – 30th June 2026.

3.2 The performance information relating to the delivery of the Council Plan is structured around the Council's five corporate priorities. A summary of progress in delivery of the key council plan actions in each of the corporate priorities is provided together with performance information relating to the 25 key performance indicators (KPIs). Details are shown in Appendix A.

4. Council Plan Key Priority 1 – Providing High Quality Services and Facilities

4.1 In relation to our performance against the actions shown in the Council Plan under this priority, the key highlights up to 30th June 2026 include:

- CP26 1.01 – Embed continuous improvement in our daily work:
  Work is progressing well to incorporate the new Building Safety Levy process into the standard working practices of the Council. The Building Safety Levy Officer post is now filled and the preparation of the Levy procedural notes and systems/processes for collection are underway.

  Legal Services continue to submit Land Charges information to Land Registry (LR) in line with LRs best practice and guidance, maintaining the LR Gold Standard.

- CP26 1.03 – Continue to support our residents to access Council services online, whilst delivering good levels of service:
  The Council's Connected Pendle: Digital Together agenda is being driven forward with key projects underway, such as the IT Strategy refresh, co-ordination of the delivery of the Digital Inclusion Engagement Programme with key partners, Digital Champions group established and implementing improvements to the Council's customer feedback channels.

- CP26 1.04 – Our staff will live the organisation's corporate objectives and values and we will recognise their achievements:
  The priorities of the Workforce Strategy 2026-2028 are being delivered via the Workforce Strategy Action Plan which was approved by Corporate Leadership Team in June 2026.

4.2 Key financial highlights to date under this strategic objective include:

- The Council has been allocated £61k capital funding and £51k revenue funding to meet the new Building Safety Levy set up costs.

5. Council Plan Key Priority 2 – Proud and Connected Communities and Places

5.1 In relation to our performance against the actions shown in the Council Plan under this priority, the key highlights up to 30th June 2026 include:

- CP26 2.02 - Deliver better outcomes in our communities and offer cost of living support, to build independent, confident communities:
  The Crisis and Resilience Fund programme has launched successfully, with resident-facing communications, webpage updates, QR codes and support information now live, and a dedicated co-ordinator recruited to support delivery. The programme provides support for those facing a sudden or urgent situation and in need of short-term help. CRF also connects people to the right local advice and support to help build financial resilience and prevent further crisis.

- CP26 2.04 - Deliver the Council's Climate Change and Biodiversity Strategies:
  Flood resilience work is progressing well, with three priority schemes identified, Environment Agency match funding secured for Gillian's Lane and a formal inspection and maintenance regime now fully implemented.

- CP26 2.05 - Develop behaviour change campaigns to encourage responsibility and pride in local communities, including picking up litter and taking care of our parks:
  A programme of behaviour change campaigns is being delivered to encourage residents to take responsibility for their local environment and foster pride in local communities. Key activities delivered during Quarter 1 include:
  - social media campaigns reminding residents how to dispose of vapes safely and encouraging correct aluminium recycling;
  - promotion of weekly food waste collections, the garden waste scheme, tetra pak collections and the commercial waste recycling scheme to increase take-up;
  - wider recycling messages to encourage sustained and increased participation, while helping to reduce contamination rates.

- CP26 2.06 - Continue to work with partners in our local Community Safety Partnership to improve the safety, and sense of safety, for our residents through delivery of its strategy:
  The Council's Action Counters Terrorism (ACT) self-assessment has been completed and submitted to the Police Counter Terrorism Security Advisor in line with the scheduled timescale.

5.2 Whilst delivery of the Council Plan actions under Priority 2 remains on track, it is important to note that progress on some elements of the Council's Climate Change Strategy may be affected following the vacancy of the Climate Change Officer post during the quarter. Recruitment to the role is currently underway, and the potential impact on timescales and programme delivery is being closely monitored.

5.3 Key financial highlights to date under this strategic objective include:-

- The Council will receive Crisis Resilience funding of £1,151m for 2026/27 to support low-income households facing financial shocks and to help building long-term individual and community financial resilience. With a further £75k for Affordable Warmth support and £28k heating Oil support.

- During 2026/27 the Council will receive £889k of Extended Producer Responsibility (EPR) payment to support collecting, managing, recycling and disposing of household packaging waste. This payment aims to shift the financial burden of waste management from local taxpayers and councils to the businesses that produce and introduce packaging onto the market.

6. Council Plan Key Priority 3 – Good Growth

6.1 In relation to our performance against the actions shown in the Council Plan under this priority, the key highlights up to 30th June 2026 include:

- CP26 3.06 – Complete the Colne Levelling Up Programme, to encourage more use of the town centre during the day and into the evening:
  Colne Market Hall refurbishment is now complete with the official opening taking place on 1st May 2026. Tenant feedback has been positive, and occupancy levels on the lower floors remain strong. Work is ongoing to promote and increase occupancy on the upper floors. Footfall has been encouraging since the facility reopened.

- CP26 3.08 – Ensure a co-ordinated approach to delivering economic growth, along with value for money projects:
  50% of the Pride in Place Impact Fund has been committed. As funded projects progress, the benefits are expected to become increasingly visible across the borough.

  Delivery of the schemes for key housing developments at Bunkers Hill and Bankhouse Road, Nelson, remain on track, with planned activities being progressed in accordance with project timetables.

6.2 Overall performance against this Corporate Priority has been strong, with most actions and milestones progressing as planned. While a small number of milestones are slightly behind schedule, there is one area where progress has not met expectations and the associated action is now overdue:

- CP26 3.08e – Progress and develop a quality new scheme for housing development sites in Pendle via both Council and private land ownership:
  Significant progress has been made in identifying potential housing development sites across Pendle. Viability assessments were not completed within the original timeframe due to discussions with Homes England being planned for July 2026 to identify resource options and accelerate delivery. Completion of the assessments remains on track for the current financial year.

6.3 Key financial highlights under this strategic objective include:

- Town Deal – the project is currently on target to be completed within the allocated budget.

7. Council Plan Key Priority 4 – Housing and Healthy Communities

7.1 In relation to our performance against the actions shown in the Council Plan under this priority, the key highlights up to 30th June 2026 include:

- CP26 4.02 – Support the delivery of a Health & Wellbeing Plan in partnership with our key providers:
  The programme of work is on track, with all six associated workstreams underway and governance arrangements operating effectively. Significant progress has been made in establishing the Pendle Resilience Network, strengthening partnership working across health, community and voluntary sectors, and maintaining oversight of Healthy Weight, Smoke Free and HAF programmes. Quarterly and monthly monitoring arrangements are in place across all activity areas.

- CP26 4.03 – Improve our Housing Standards Strategy to identify a way forward on the private rented sector and housing standards:
  The Council has made significant progress in delivering LAHF3, with the refurbishment programme already 50% complete and work progressing to bring two properties back into occupation. The Council is also actively pursuing the next phase of the Local Authority Housing Fund (LAHF4), with negotiations underway to secure two further properties that will provide additional housing opportunities for families requiring resettlement support.

7.2 Overall performance against this Corporate Priority has been good, with most actions and milestones progressing as planned. While a small number of milestones are slightly behind schedule, there is one action which is now overdue:

- CP26 4.03a – Implement the Renter's Rights Act:
  Implementation of the Renters Rights Act is well advanced, with 70% of the programme completed. The Council has updated its website, trained all relevant officers and introduced the necessary procedures to deliver the new legislation. The remaining work relates to reviewing staffing capacity and resource requirements to ensure the service can respond effectively to future demand, with completion expected during Quarter 2.

7.3 Key financial highlights to date under this strategic objective include:

- The Council has received £65k from MHCLG to assist with implementing the Renter's Rights Act.

- £1.42m Disabled Facilities grant has been received.

- The Council has received £404k Holiday Activities Fund (HAF) and £80k Healthy Weight Collaboration grant from Lancashire County Council and is working in Partnership with Pendle Leisure Trust to deliver both schemes.

8. Council Plan Key Priority 5 – Preparing for Local Government Reorganisation

8.1 In relation to our performance against the actions shown in the Council Plan under this priority, the key highlights up to 30th June 2026 include:

- Generally, activity related to this corporate priority is progressing well, with the establishment of the Council's Programme Management Office (PMO) and Team, completion and delivery of all required Tranche 1, 2 and 3 data for LGR PMO on time, Council representation on all enabling workstreams in place, effective and regular communications being issued both internally and externally, and comprehensive staff training programmes in place to ensure that staff have the skills and capabilities to both prepare for LGR and to contribute effectively to the new organisation.

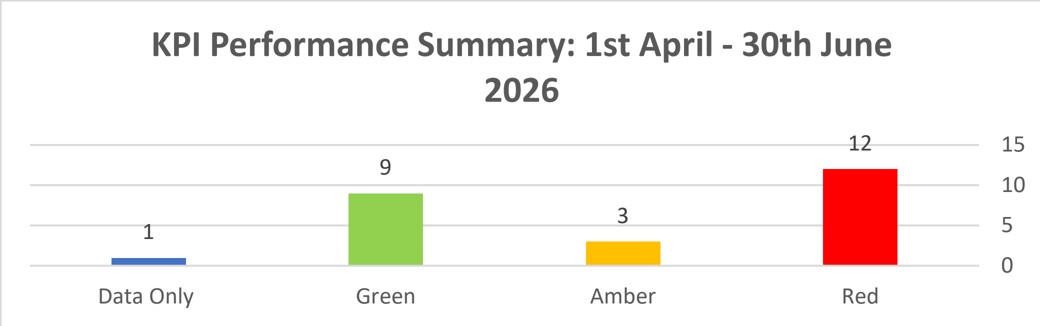
- CP26 5.02 – Accelerate work on local asset transfers:
  The Community Asset Transfer programme is progressing well, with Wave 1 transfers approved by Executive, legal due diligence completed and Wave 2 progressing. This supports greater community ownership of local assets while helping prepare the Council's asset portfolio for Local Government Reorganisation.

9. Key Performance Indicators (KPIs)

9.1 A basket of 25 key performance indicators (KPIs) has been devised to provide Members with a gauge of performance representing a range of services delivered by and on behalf of the Council (i.e. these include some Liberata and PLT PIs). Please find attached the performance information for these KPIs, for the period 1st April to 30th June 2026, at Appendix C.

9.2 We currently have 9 KPIs which are performing on or above the expected service level / target (i.e. are 'Green').

9.3 As detailed below, we currently have 12 KPIs which are 'Red' (i.e., falling below the expected service levels / targets) and 3 KPIs which are 'Amber' (i.e., falling slightly below the expected service levels / targets). Some of the reasons for this are summarised below with further details provided in Appendix C.



9.4 **Waste Services** – Recycling (Amber), Composting (Red) and Missed Bin Collections (Red) – Performance relating to the percentage of the total tonnage of household waste which has been recycled (WM 8c) has increased when compared to previous quarters throughout 2025/26. The percentage of household waste sent for composting (WM 8d) has continued to drop when compared to previous quarters throughout 2026/27.

9.5 Performance has significantly dropped on missed bin collections dealt with within 24hrs (WM 15) and is the first time this has been under target since the KPI was introduced in 2023/24. A comprehensive update has been provided by the service in Appendix C to explain issues impacting in these areas.

9.6 **Planning Appeals (Red) –** Performance of PBC 1a is impacted upon largely due to the low overall number of appeals that the council receives that makes it difficult to achieve the 80% target. In Quarter 1 there were 13 appeals received with 8 being determined in line with officer recommendations. All appeals are subject to a review process to identify best practice, but no discernible pattern has been identified making it difficult to improve the service further.

9.7 **Planning – Major Applications (Red) –** As with planning appeals, performance of PBC 5a is impacted upon largely due to the low overall number of Major applications that the council receives, thus making it difficult to achieve the 80% target. In Quarter 1 there were three major applications received, one of which exceeded the target timeframe. This application had taken a long time to deal with due to drainage complexities and the applicants' refusal to agree to an extension of time.

9.8 **Food Safety (Amber)** – The target for programmed Food Hygiene Rating Scheme inspections (HHED 7a) was narrowly missed during the quarter. This was primarily due to a higher-than-usual number of newly registered food businesses requiring inspection, together with the need to complete several inspections carried forward from the previous year. Despite this increased workload, officers delivered a significant volume of inspections, and performance is expected to improve during Q2 as outstanding work is cleared, and resources are focused on the current year's programme.

9.9 **Homelessness (Red)** – During Q1, homelessness was prevented in 31 cases and relieved in 13 cases (HN 1(ii)). The service has strengthened its focus on early intervention and prevention, in line with the National Plan to End Homelessness and Rough Sleeping, by working with people at risk of homelessness before their situation reaches crisis point.

9.10 By providing housing advice, support and practical housing solutions at an early stage, many cases are being resolved without the need to trigger statutory homelessness duties. Close working with local landlords has been particularly successful in securing accommodation for households that might otherwise have required support through the formal homelessness process, contributing to a reduction in statutory homelessness cases.

9.11 This preventative approach has expanded during Q1 and will continue to develop with partners across the borough. Demand for homelessness services remains unpredictable throughout the year. Single men continue to be the largest group requiring housing support in Pendle, followed by single women, with couples and families forming the third largest cohort.

9.12 **Complaints (Red)** – Performance on this KPI (DIR 1) declined during Quarter 1 due to a significant increase in complaint volumes. A total of 266 valid complaints were received during this period, compared with 193 in Q4 2025/26, an increase of 73 complaints (38%). In addition, a further 78 submissions were received and subsequently reclassified as service requests or deemed invalid. As a result, officers handled a total of 344 complaint submissions during the quarter, creating additional capacity pressures and impacting overall performance.

9.13 Despite this increase in workload, performance in responding to complaints within target timescales has continued to improve. The number of complaints responded to on time has increased from 81 in Q3 2025/26 to 144 in Q4 and 181 in Q1 2026/27. This demonstrates the ongoing efforts of officers' to maintain service standards and minimise delays despite significantly higher demand.

9.14 The increase in complaint volumes was largely driven by changes within Waste Services, including the introduction of weekly food waste collections, changes to assisted collection arrangements, and operational pressures associated with new tipping locations and bank holiday collections. These changes generated a substantial increase in waste-related enquiries and complaints during the quarter. Performance will continue to be closely monitored as service changes become embedded and complaint volumes stabilise.

9.15 **Sickness (Red)** – Performance against this KPI was below target during Quarter 1, with sickness absence in April and May exceeding the expected level. This was primarily attributable to a higher proportion of long-term sickness absence cases. However, sickness absence reduced during June, indicating an improving trend. All absence cases are being actively managed, with appropriate support being provided to facilitate employees' return to work where possible. Whilst the improvement seen in June is encouraging, some uncertainty remains regarding performance over the remainder of the year. Continued monitoring and proactive management of absence levels will be important in sustaining this improvement, with the aim of achieving the year-end target.

9.16 **Customer Services (Red)** – The KPI for calls answered within 40secs (TS 1) has performed significantly below target for the last three months, and call abandonment (TS 2) for the last two months. It is reported that peaks in demand, particularly during recovery periods and relating to changes in waste collection services, are affecting overall performance levels. It is important to note that Council officers are working closely with Liberata Customer Services to further assess and understand the demand on services via the Contact Centre and addressing areas of failure demand. It has been reported that performance for July has vastly improved and is expected to perform above the 82% target.

9.17 **Council Tax Collection (Red)** – Council Tax Collection (BV9) collection in June 2026 is tracking behind this time last year by 0.47% and behind target by 0.68%, an improving picture from May's collection. Collection is down nationally and the introduction of the second home premium from 1st April 2026 will be having an impact. We have 141 accounts on the extra 100% charge currently. All efforts are being made to improve the collection rate.

9.18 **NNDR Collection (Red) –** NNDR collection performance at the end of June 2026 was 28.04%, which is 1.97% below target and 1.78% below the position at the same point last year. Analysis indicates that, compared with 2025/26, the Council is required to collect an additional £920,000 in NNDR, representing an increase of approximately 4% in the overall annual collection target. This higher liability has contributed to the current variance.

9.19 Further analysis identified that 15 accounts account for approximately 1.2 percentage points of the shortfall, primarily due to missed or late instalments and newly billed accounts being added to the system during June, leaving insufficient time for payment to be collected within the month.

9.20 NNDR collection performance can be volatile throughout the year and is influenced by a range of factors, including the timing of new business rate assessments, large-value accounts, credits awaiting refund, and payment patterns. Collection performance will continue to be closely monitored, and it is anticipated that the position will improve as payments are brought up to date during subsequent months.

10. Financial Performance

Revenue Budget

10.1 The net revenue expenditure budget for 2026/27 agreed at Council on 2nd March 2026 was £19.592m. An additional Budget of £100k agreed at Council 26th March 2026 for the development of an investment proposition to support the advanced manufacturing and precision engineering sector, together with Budget slippage of £0.272m and revenue grant slippage of £1.744m were agreed at executive 23rd July 2026. This brings the total revenue budget to £21.708m.

10.2 At the end of quarter 1 the year end position is forecast to be an overspend of £0.194m. An overview of the projections is provided at Appendix D.

10.3 Details of budget pressures and risk areas are highlighted below;

10.3.1 2026/27 pay award was agreed for Chief Officers in July 2026, 'Green Book' employees pay award is still being negotiation nationally. The pay increase included in estimated outturn is 3.3% the budgeted award was 3.2%.

10.3.2 Financial Services holds a centralised Vacancy Allowance budget of -£0.250m. at the time of writing outturn variance against this budgeted this has been netted to £0.100m by secured vacancy underspends of £0.150m from across council departments.

10.3.3 The base budget within Property & Engineering included £0.070m in rental income for the Innovation Centre, which is currently vacant.

10.3.4 Salterforth carpark – a Business Rates bill was received with charges dating back to 2020. This has lead to an overspend of £0.008m within Property & Engineering.

10.3.5 A delayed Software License charge has lead to budget pressures in Information Technology.

10.4 **Savings:** An update on savings agreed by Council is provided in the table below;

2026/27 Q1 Savings Update

Savings Agreed by Council 2nd March 2026	Agreed Budget Reduction £'000	Included in Projected Outturn £'000	Difference	Narrative
Reduction in Management Fee to Pendle Leisure Tru	300	300	0	Met
Saving from Review of Operational Services Manage	72	72	0	Met
In-house delivery of Trade Waste Food Service	30	0	30	Not Met
TOTAL	302	302	0	

- RED = not met
- AMBER = Some progress towards the saving met
- GREEN = Saving made or exceeded

10.5 **Use of Reserves:** The 2026/27 base budget set out a contribution from the budget strategy reserve of £0.582m. Current projections as shown in Table1 would see this figure change to £0.776m.

10.6 The Council will need to take steps to control existing spend as well as future growth.

Statement of Accounts 2025/26

10.7 The Draft Statement of Accounts for 2025/26 were published to the Council's website on Tuesday 30th June 2026. The Council's External Auditors (Grant Thornton) have begun the fieldwork stage of the Audit Plan, which seeks to report their findings to the Accounts & Audit Committee in November 2026.

Pendle Joint Venture Companies

10.8 A summary table for the quarter 1 2026/27 Long Term Debt position is shown below. The loans are all capital loans and the interest is fully provided for as it accrues.

Joint Venture Debt Position

	B/fwd				C/fwd			
	Loans Issued £000	Accrued Interest £000	Total B/fwd Long Term Debtor £000	Q1 Net change £000	Loans Issued £000	Accrued Interest £000	Total C/fwd Long Term Debtor £000	Basis of Interest Charge
PEARL 1	570	432	1,002	13	570	445	1,015	*BOE Base +2%*
PEARL 2	1,373	640	2,014	26	1,373	666	2,039	*BOE Base +2%*
PEARL Brierfield Mill	300	-	300	-	300	-	300	*BOE Base +2%*
PEARLTogether	122	18	140	1	122	19	141	*Fixed at 2.5%*
Penbrook Developments	50	7	58	0	50	8	58	*BOE Base +2%*
Joint Ventures	2,415	1,098	3,514	40	2,415	1,138	3,553	

Capital Programme

10.9 A summary table showing the Quarter 1 position is shown in the table below. The funding of the revised budget is shown in Appendix E.

2026/27 Q1 Capital Programme

	Opening Budget £000	Revised Budget £000	Forecast Outturn £000	Forecast Variance £000
Housing	1,671	3,054	3,054	-
Regeneration	1,110	10,004	10,004	-
Engineering Schemes	500	852	852	-
Council Assets	787	5,741	5,677	(65)
Resources	156	156	156	-
Environmental Services	965	3,438	3,438	-
Planning	0	189	189	-
Total Capital Programme	5,189	23,437	23,372	(65)

10.10 The 2026/27 budget has increased from £5.189m to £23.437m, £16.349m of this increase is slippage from the 2025/25 capital programme. The other changes include the following;

i) £0.049m Additional amount in DFG allocation

ii) £0.052m LAHF Funding

iii) £1.716m PSDS Funding
iv) £0.020m Additional funding towards Colne Bus Station
v) £0.061m Building Safety Levy

10.11 Other minor changes have been made to reflect actual spend expected in year and to reflect grant claims made on some schemes. Full details are set out in Appendix A.

10.12 The ICT Strategy and Delivery Plan, have been updated to reflect the revised focus on key goals in light of Local Government Reorganisation and the revised delivery period of 2026 to 2029. This has lead to an additional 2026/27 capital budget requirement of £50k. In accordance with the Financial Procedure Rules this report requests the addition of £50k to the capital programme funded by prudential borrowing.

10.13 In total the capital programme for 2026/27 is now to be funded by Prudential Borrowing of £9.141m.

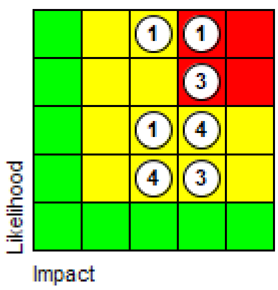
10.14 The affordability of this level of prudential borrowing will lead to the need to borrow additional funds in the coming years. The Council is currently 'under-borrowed', and high cash balances have prevented the need for external borrowing in this and the previous financial year. The timing of any external borrowing to support these large spends will need to be carefully considered, to ensure the best possible borrowing rates are attained.

11. Risk Management Arrangements/Issues

11.1 It is good management practice to keep under review the key risks we face to the delivery of our Corporate Priorities as set out in the Council Plan. As the Council operates within a dynamic environment the risks facing the Council, and indeed their threat level, do change over time.

11.2 A review of the SRR with each of the Risk Owners and the Corporate Leadership Team has been carried out in Quarter 1, validating existing risk scores against the criteria outlined in the Risk Management Toolkit.

11.3 The heat map below provides a quick glance summary of the Current Risk Scores within the Strategic Risk Register. A full update will be reported to the next meeting of the Accounts & Audit Committee.



11.4 To confirm, the Risk Model Matrix adopted by the Council is shown below for reference:

Likelihood	Almost certain	5	5	10	15	20	25
	Likely	4	4	8	12	16	20
	Moderate	3	3	6	9	12	15
	Unlikely	2	2	4	6	8	10
	Remote	1	1	2	3	4	5
			1	2	3	4	5
			Insignificant	Minor	Moderate	Major	Catastrophic
			Impact				

12. Link to Council Plan Priorities: (Providing High Quality Services and Facilities, Proud and Connected Communities and Places, Good Growth, Housing and Healthy Communities and Preparing for Local Government Reorganisation)

12.1 Please refer to Sections 4 – 8 in this report.

13. Implications

13.1 **Financial Implications**

The financial implications are as set out in this report.

13.2 **Legal and Governance Implications**

There are no legal and governance implications related to this report.

13.3 **Climate and Biodiversity Implications**

There are no climate and biodiversity implications related to this report.

13.4 **Human Resources Implications**

There are no HR implications related to this report.

13.5 **Equality and Diversity Implications**

There are no Equality and Diversity implications related to this report.

14. Consultation

14.1 No consultations have taken place.

15. Alternative Options Considered

N/A

16. Statutory Officer Sign off (please put an x in the relevant box below)

Section 151 Officer	X
Monitoring Officer	X

17. Background Documents

- Council Plan Priorities Report
- Council PI & KPI Report
- Council Strategic Risk Register Update Report

Contact Officers

- Marie Mason - 01282 661790 - marie.mason@pendle.gov.uk
- Sher Ali – sher.ali@pendle.gov.uk
- Gemma-Louise Wells – gemma-louise.wells@pendle.gov.uk