ROSSENDALE BOROUGH COUNCIL

Meeting of: The Cabinet

Date	11th February 2026	**Time:**	6.30pm
Venue:	Council Chamber, The Business Centre, Futures Park, Bacup, OL13 0BB		

The meeting will also be live streamed at the following link:
https://www.youtube.com/channel/UCrLsMDOP7AYxik5pNP0gTlA/streams

Supported by: Glenda Ashton, Committee and Member Services officer Tel: 01706 252423
Email: democracy@rossendalebc.gov.uk

ITEM		Lead Member/Contact Officer
A.	**BUSINESS MATTERS**	
A1.	**Apologies for Absence**	Clare Birtwistle, Monitoring Officer 01706 252438 clarebirtwistle@rossendalebc.gov.uk
A2.	**Minutes of the last meeting** To approve and sign as a correct record the minutes of the meeting held on 26th November 2025.	
A3.	**Urgent Items of Business** To note any items which the chair has agreed to add to the agenda on the grounds of urgency.	
A4.	**Declarations of Interest** *Members are advised to contact the Monitoring Officer in advance of the meeting to seek advice on interest issues if necessary.* 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. This is an opportunity to ask a question about	Glenda Ashton, Committee and Member Services Officer, 01706 252423 glendaashton@rossendalebc.gov.uk

ITEM		Lead Member/Contact Officer
	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. 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).	Questions can be submitted in advance of the meeting to democracy@rossendalebc.gov.uk in line with the Cabinet speaking procedure
C.	**CHAIR'S UPDATE**	
C1.	Update from the Overview & Scrutiny Committee	Councillor A Barnes
D.	**KEY DECISIONS**	
D1.	Better Lives Rossendale Anti-Poverty Strategy	Councillor McInnes/David Smurthwaite Director of Economic Development davidsmurthwaite@rossendalebc.gov.uk
D2.	Adoption of Supplementary Planning Guidance for Houses in Multiple Occupation (HMOs)	Councillor A Barnes/David Smurthwaite Director of Economic Development davidsmurthwaite@rossendalebc.gov.uk
D3.	Improvements to Whitaker Park Toddler play facilities	Councillor Lythgoe/Andy Taylor Head of Environment and Corporate Services andrewtaylor@rossendalebc.gov.uk
D4.	Local Plan Implementation Funding	Councillor A Barnes/David Smurthwaite Director of Economic Development davidsmurthwaite@rossendalebc.gov.uk
D5.	Acceptance and deployment of the Holiday Activities and Food Programme funding	Councillor Walmsley/Chris Warren Director of Resources chriswarren@rossendalebc.gov.uk
E.	**PERFORMANCE MATTERS**	
E1.	Council Budget and the Medium-Term Financial Strategy 2026/27	Councillor Walmsley/Chris Warren Director of Resources chriswarren@rossendalebc.gov.uk
E2.	Capital Programme 2026/27 – 2027/28 and Capital Strategy 2026/27	Councillor Walmsley/Chris Warren Director of Resources chriswarren@rossendalebc.gov.uk
E3.	Treasury Management Strategy and Treasury Management Policy and Practices 2026/27	Councillor Walmsley/Chris Warren Director of Resources chriswarren@rossendalebc.gov.uk
F.	**EXCLUSION OF PUBLIC AND PRESS**	
	To consider passing the appropriate resolution under Section 100 (A)(4) of the Local Government Act 1972 that the press and public be excluded from the meeting during consideration of the following items of	

ITEM		Lead Member/Contact Officer
	business since they involve the likely disclosure of exempt information under Part 1 Paragraph 3 of Schedule 12A to the Local Government Act 1972.	
F1.	Sundry Debt Management Policy	Councillor Walmsley/Chris Warren Director of Resources chriswarren@rossendalebc.gov.uk
F2.	Council Tax and Non-Domestic Rate Debt Management Policy	Councillor Walmsley/Chris Warren Director of Resources chriswarren@rossendalebc.gov.uk

Rob Huntington
Chief Executive

Date Published: 3rd February 2026

Item A2

MINUTES OF: **THE CABINET**

Date of Meeting: **Wednesday 26th November 2025**

Present: **Councillor A Barnes (Chair)**
Councillors Harris, Lythgoe, McInnes and Walmsley

David Smurthwaite, Director of Economic Development
Chris Warren, Director of Resources, s151 Officer
Clare Birtwistle, Head of Legal, Monitoring Officer
Clare Law, Head of People and Policy
Kimberly Haworth, Head of Financial Services

Also present: **Councillor Neal**

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1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. MINUTES OF THE LAST MEETING

Resolved:
The minutes of the meeting held on 22nd October 2025 were agreed as a correct record.

3. URGENT ITEMS OF BUSINESS

There were no urgent items.

4. DECLARATIONS OF INTEREST

Councillor Harris declared a non-registerable interest in item D5/11 as it related to the financial interest of a close associate.

5. PUBLIC QUESTION TIME

There were no written or verbal questions.

6. CHAIR'S UPDATE

The Chair provided an update from the 10th November 2025 Overview and Scrutiny Committee. Thanks were expressed to the Chair of the Committee.

7. LOCAL GOVERNMENT REORGANISATION

The Leader of the Council outlined the report which asked Cabinet to note the process and timetable for submission of proposals and agree to submit the 'Three Lancashire Unitary Business Case'. Due to the urgency of the decision, it was proposed that Cabinet waived the call-in procedure in order to meet the deadline set by Government.

Members were invited to comment on the report:

- Councillor Neal requested that the Harmonisation Order be reviewed again in terms of the Town Council Election, now due to take place in 2028. Cabinet confirmed that enquiries would be made.
- Thanks were expressed to all who had worked on the preparation of the business case.

Resolved:
1. Cabinet noted the process and timetable for the submission of proposals for local government reorganisation in Lancashire.
2. Cabinet agreed to submit the ‘Three Lancashire Unitary Business Case’ to the Ministry of Housing, Communities & Local Government for review and decision by ministers.
3. Due to the urgency of the decision, Cabinet waived the call-in procedure in order to meet the deadline set by Government.

Reason for Decision:
To support the submission of the three unitary model for the Lancashire business case.

Alternative Options Considered:
None.

8. MEDIUM TERM FINANCIAL STRATEGY UPDATE

The Lead Member for Resources outlined the report which asked Cabinet to consider and note the contents of the report.

Cabinet was invited to comment on the report:
- If the Council did not proceed with the Waste Transfer Station it would cost £2 million revenue cost per year which would increase year on year.
- The Henrietta Street Waste Transfer Station would not meet the borough’s requirements without significant investment.
- The Leisure Trust review was currently underway with the initial recommendations due by 11th December 2025.

Resolved:
1. Cabinet considered and noted the report.

Reason for Decision:
To provide an update on the Medium-Term Financial Strategy.

Alternative Options Considered:
None.

9. PROCUREMENT OF WATER AND WASTEWATER SERVICES

The Lead Member for Environment and Corporate Services outlined the report which asked Cabinet to approve the commencement of a fully compliant tender activity and delegate authority to enter into all relevant legal agreements to the most advantageous provider.

Resolved:
1. Cabinet approved the commencement of a fully compliant tender activity for the provision of water and wastewater services for a period of three years.
2. Cabinet delegated authority to the Monitoring Officer in consultation with the Director of Resources and Lead Members for Environment and Corporate Services and Resources to enter into all relevant legal agreements to the most advantageous provider.

Reason for Decision:
To ensure compliant procurement of water and wastewater services and to secure best value.

Alternative Options Considered:

None.

10. APPROVAL OF PRIDE IN PLACE REGENERATION PLAN

The Lead Member for Economic Development outlined the report which asked Cabinet to approve the Regeneration and Investment Plan for Rawtenstall, Waterfoot and Crawshawbooth. Cabinet was also asked to approve delegations to enter into agreements, manage the implementation and agree small amendments or reprofiling for the project funding or finance.

Cabinet was invited to comment on the report:

- Officers and members of the board were thanked for their work on the plan.
- Using funding as leverage to bring other funding into the borough was welcomed.
- The supporting document was a great piece of work which would be circulated to all councillors.
- The document could be found on the Council's website.

Resolved:

1. Cabinet approved the Regeneration and Investment Plan for Rawtenstall, Waterfoot and Crawshawbooth under the Pride in Place Funding.
2. Delegated authority to the Head of Legal, Director of Resources and Director of Economic Development with the Lead Member for Economic Development to enter into any agreements related to this project.
3. Delegated authority to the Director of Economic Development to manage the implementation of the Regeneration and Investment Plan in conjunction with the Lead Member for Economic Development.
4. Delegated authority to the Pride in Place Board in conjunction with the S151 Officer and Lead Member for Resources, to agree any small amendment or reprofiling for the project funding or finance.

Reason for Decision:

The decision enables the Council to implement a community-led, strategic approach to regeneration, ensuring that projects meet local needs, align with long-term plans, and deliver tangible economic, social, and environmental benefits.

Alternative Options Considered:

None.

11. FUNDING PROPOSAL FOR ABD CENTRE – DIGITAL SKILLS

The Lead Member for Resources outlined the report which asked Cabinet to provide a grant to expand the centre's capacity and to delegate authority to Lead Members and Officers to procure consultants and enter into any agreements for the project.

Cabinet was invited to comment on the report:

- It was important that the project kept momentum to ensure more services were available to residents of the borough.

Resolved:

1. Cabinet approved a grant of up to £72,000 for the ABD centre, (a Council owned asset) to expand its capacity, enabling the delivery of more digital courses and transforming the building into a high-quality, inclusive digital learning hub for the wider district as part of "The Bridge" element in the Capital Regeneration Projects Levelling Up Fund Allocation.

2. Cabinet delegated authority to the Head of Legal, Director of Resources and Director of Economic Development in consultation with the Lead Members for Economic Development and Resources to procure any consultants necessary and enter into any agreements related to this project.

Reason for Decision:
The funding would enhance the skills and employability of Rossendale residents whilst enhancing a Council owned asset. It would also fulfil the council's objective under the enterprise heading of the Bacup 2040 Masterplan to incorporate digital technology to ensure businesses remain relevant and provide training to keep knowledge current.

Alternative Options Considered:
None.

12. EQUALITY, DIVERSITY AND INCLUSION STRATEGY 2025-29
The Lead Member for Environment and Corporate Services outlined the report which asked Cabinet to review and comment on the refreshed strategy and action plan, endorse the strategy for Council approval and support its implementation.

Cabinet was invited to comment on the report:
- The refreshed strategy was welcomed.
- It was important that public bodies supported the legislation.
- Officers were thanked for their work on the strategy.

Resolved:
1. Cabinet reviewed and commented on the refreshed Equality, Diversity and Inclusion Strategy and action plan for 2025-2029.
2. The strategy was endorsed for Council approval.
3. Implementation of the strategy was supported through ongoing annual equality reports.

Reason for Decision:
The refreshed strategy provided a clear and accountable framework for promoting equality, diversity and inclusion across Rossendale. It reflected best practice, legal compliance, and the Council's ambition to be a fair and inclusive organisation. Endorsement by the Overview and Scrutiny Committee would support its successful implementation and ensure ongoing scrutiny of progress.

Alternative Options Considered:
None.

13. FINANCIAL MONITORING REPORT QUARTER 2 2025/26
The Lead Member for Resources outlined the report which asked Cabinet to note the contents for quarter 2.

Cabinet was invited to comment on the report:
- The revaluation of pensions was noted.
- Investment in the borough was significant.
- Fair funding was expected.
- The Finance Team were thanked for the work they underake to prepare the report.

Resolved:

1. Cabinet noted the content of the quarter 2 financial monitoring report.

Reason for Decision:
To note the quarter 2 monitoring report.

Alternative Options Considered:
None.

14. PERFORMANCE MANAGEMENT REPORT QUARTER 2 2025/26

The Lead Member for Environment and Corporate Services outlined the report which asked Cabinet to consider and note the Council's performance during quarter 2.

Cabinet was invited to comment on the report:

- The percentage of staff appraisals completed was good to see.
- The report would be shared with all councillors.
- Thanks were expressed to officers.

Resolved:
1. Cabinet considered and noted the Council's performance during quarter 2 2025/26.

Reason for Decision:
Monitoring the Council's performance enables Cabinet to identify and consider any service actions, projects, performance measures or corporate risks requiring further action.

Alternative Options Considered:
None.

The meeting concluded at 7.55pm

______________________ CHAIR ______________________ DATE

Report Title:	Better Lives Rossendale Anti-Poverty Strategy		
Report to:	Cabinet	**Date:**	11th February 2026
Report of:	Director of Economic Development	**Cabinet Portfolio:**	Communities, Housing, Health and Wellbeing
Cabinet Lead Member:	Councillor McInnes	**Wards Affected:**	All
Key Decision:	☒ Forward Plan ☒	General Exception ☐	Special Urgency ☐
Integrated Impact Assessment:	Required: No	Attached: No	
Contact Officer:	Jackie Flynn/Stephanie Thornton	**Telephone:**	01706 252532
Email:	jackieflynn@rossendalebc.gov.uk		

AGENDA ITEM: D1

Valley Plan Priorities	**Thriving Local Economy:** This involves securing new inward investment, creating a sustainable economy, matching local skills with future job opportunities, and supporting town centres as unique destinations.	☐
	High Quality Environment: This includes having a "clean and green" local environment, reducing the borough's carbon footprint, improving waste and recycling rates, and delivering new homes with a good mix of housing tenures.	☐
	Healthy & Proud Communities: This priority focuses on improving the health and physical/mental wellbeing of residents, reducing health inequalities, ensuring access to better leisure facilities and health services, and fostering a sense of pride in the community.	☒
	Effective & Efficient Council: The aim is to provide good quality and responsive services, embrace new technology, be a financially sustainable council with a commercial outlook, and ensure sound governance.	☐

1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

1.1 To agree the adoption of an anti-poverty strategy and action plan for the borough.

- In response to rising costs of living and changes to Household Support fund it was decided to look at how we can help tackle poverty and build financial resilience in Rossendale, supporting some of our most vulnerable residents.
- It is our collective responsibility to ensure that people aren't being left behind. We have developed Better Lives Rossendale to improve the lived experience of poverty and increase the financial resilience of our most vulnerable residents. A copy of the Strategy can be found accompanying this report.
- The strategy sets out our vision, our ambitions for tackling poverty, and the specific actions we will take over its three-year duration.

2. RECOMMENDATION

2.1 To agree the adoption of an anti-poverty strategy and action plan for the borough.

3. BACKGROUND AND REASON FOR THE DECISION

3.1 The Interim report of the Poverty Strategy Commission, September 2023, advocates the use of all the available levers to address poverty. Many of these are outside the scope of the council and its partners e.g. increasing earnings by 5% or increasing benefits awards or reductions in housing costs.

3.2 However, one lever is to improve the lived experience. This means enhancing relationships and networks, improving qualifications and employability, improving physical and mental health and financial capability. These are areas where, working together, we can exert some influence and make progress.

3.3 Better Lives focuses on tackling poverty and building financial resilience and part of this is maximising the knowledge of available help and support.

3.4 In 2024 the future of the Household Support Fund was in doubt, sparking local conversations about a longer-term approach to supporting financially vulnerable Rossendale residents. At the same time, we were becoming increasingly aware of the increased costs of basics-housing, heating and food costs. The strategy has developed from those initial conversations In November 2024 the communities team held a partnership workshop with key local support organisations from the statutory and voluntary sectors to explore how we can work together to build the financial resilience of our residents. This included mapping all know services against as series of themes: employment support, money and debt, food support, homelessness and affordable warmth. A number of issues also emerged including the digital skills needed to access support, residents knowing where to go for help, and the gaps in knowledge that local support organisations had about other available services.

3.5 Over the next year we held themed meetings to further explore available support within these areas.

3.6 At the same time the communities team became aware of a tool being used by other local authorities to identify those in crisis, and those who may be eligible for unclaimed support to maximise their incomes. CMT gave approval for the purchase of Policy in Practice Low Income Tracker. This tool is key to the delivery of the Better Lives Strategy as set out in the action plan

3.7 When the strategy is approved, we will establish a multi-agency board to oversee the implementation of the strategy and ensure its effectiveness. Membership will include the portfolio holder, council staff from communities, housing and benefits, as well as from the Family Hub, Citizen's Advice, Haslingden Community Link, Social prescribing team. Rossendale Valley Energy, Rossendale Works, Homewise and others.

3.8 The strategy has been developed in partnership with Resolve Poverty (formally the Greater Manchester Poverty Unit) and following extensive research by the communities team looking at other local authority anti-poverty strategies. Our vision is to reduce the impact of poverty across Rossendale by strengthening community resilience, and ensuring equitable access to opportunities and services for all residents.

3.9 The framework for strategy includes our vision, goals and ambitions, definition of poverty, causes and impacts of poverty, local data, case studies, local initiatives, an action plan and a communications plan.

3.10 The 7 key ambitions of the strategy are 7:

1. **Addressing Debt**

We will work with partners to understand the root causes of debt and develop early intervention strategies. Our aim is to prevent financial crisis before it happens and support residents to regain control of their finances.

2. **Employment Support**
   We will support residents who are furthest from the labour market through specialist services, training, and inclusive employment opportunities. Everyone deserves the chance to thrive in meaningful work.

3. **The Basics**
   We will work to ensure that all residents have access to the essentials for a decent life - safe and secure housing, nutritious food, warmth, and hygiene. No one should be left behind in meeting their basic needs.

4. **One Size Does Not Fit All**
   We will tailor our services to meet the needs of those most at risk of poverty, including families with children, disabled people, carers, older residents, and those facing multiple disadvantages. Equity, not just equality, will guide our approach.

5. **Making Every Contact Count**
   We will empower our staff, partners, and communities to recognise the signs of poverty and confidently signpost people to the right support. Every interaction is an opportunity to make a difference.

6. **Income Maximisation**
   We will promote access to all available financial support, including benefits, grants, and discounts. Through targeted campaigns and advice services, we will help residents boost their income and reduce financial stress.

7. **Digital Inclusion**
   We will explore how to improve the digital skills of our residents including access to training courses and the recruitment of digital champions. This will increase the uptake of benefit entitlements and, therefore, income. And we will work with our partners to consider their systems and processes to enable better access.

4. RISK

4.1 All the issues raised and the recommendations in this report involve risk considerations as set out below:

- The Better Lives Rossendale Strategy covers the period 2026 to 2029 which encompasses the period of local government reorganization. This will mean the RBC will not exist in its current form which may impact on our ability to deliver at a local level as we become an authority covering several existing local district areas.

- There is a significant risk that insufficient funding will be available to deliver the scheme if the Crisis and Resilience Fund does not meet expected levels. Current indications are that funding will be at least £630K per year and could be more.

5. SECTION 151 OFFICER COMMENTS (FINANCE)

5.1 The government has announced a Crisis and Resilience Fund from April 2026 to enable councils to support their most financially vulnerable residents. We are still awaiting confirmation of exact amounts but we have been asked by LCC to plan for around £630K per annum. This should provide the opportunity to fund some of the key actions such as continuing to fund LIFT, local campaigns etc. This initiative marks a shift from short term funding cycles to a more stable long-term approach allowing local authorities to develop comprehensive strategies to combat poverty and support their communities effectively. Identify any financial implications from the decision and ensure that the S151 Officer is consulted and able to comment here.

6. MONITORING OFFICER COMMENTS (LEGAL)

6.1 None.

7. INTEGRATED IMPACT ASSESSMENT IMPLICATIONS

7.1 No implications.

8. POLICY/STRATEGY FRAMEWORK IMPLICATIONS

8.1 The Council has adopted the socio-economic duty in the Equality, Diversity and Inclusion Strategy 2025, and will undertake integrated impact assessments as part of the Council's decision-making process.

8.2 Consultation has been undertaken with Management Team and Portfolio Holder

8.3 Any equality implications related to the strategy will be given consideration in a relevant and proportionate manner.

9. LOCAL GOVERNMENT REORGANISATION IMPLICATIONS

9.1 None.

10. BACKGROUND PAPERS

10.1 Appendix A – Rossendale Better Lives Strategy 2026-2029.

Rossendale Better Lives Strategy:
Tackling poverty and improving financial resilience
(2026–2029)

FOREWORD FROM ceo/leader/portfolio holder?

Introduction

Rossendale has a plan. A valley plan. Drawn up by the council to build on the good work already undertaken by businesses, partners, community organisations and our local residents to make Rossendale a great place to live and work.

The plan is ambitious and sets out steps to grow our town centres and economy, improve the health and wellbeing of local people and improve our environment.

The vision is to have a thriving economy, built around our changing town centres, creating a high-quality environment for all and improving the life chances of all those living and working in the borough.

The Government has thrown its weight behind this in the form of a number of regeneration funding pots and, more recently, a A Pride in Place, a 10-year plan with an emphasis on strengthening our communities and listening to the voices of all our residents.

But not all people in Rossendale are able to participate fairly in these ambitions.

They are financially vulnerable, for a variety of reasons, long or short term. Financial struggles can affect people of all ages, people with small or large families, people from a variety of ethnic backgrounds.

It means being unable to afford the basics of food, warmth and shelter, or to be able to keep clean, being constantly or persistently worried about money and lacking hope in the future.

Financial struggles can happen for a variety of reasons including redundancy, poor health and/or disability, low wages and insecure working conditions, rising housing and fuel costs.

And it matters because the impacts of financial vulnerability include

- Poor mental health
- Poor physical health
- Reduced educational attainment
- Reduced neighbourhood resilience

There are services, schemes and projects in Rossendale to help people who are struggling but we don't believe that enough people and partners know about them.

The vision of the Rossendale Better Lives strategy is that all Rossendale residents live their lives free of poverty and improve their levels of financial resilience. There are 3 key goals - reducing poverty, mitigating the impact of poverty and improving cross borough partnership working. And these are underpinned with a number of ambitions and associated actions.

The Interim report of the Poverty Strategy Commission, September 2023, advocates the use of all the available levers to address poverty. Many of these are outside the scope of the council and its partners e.g. increasing earnings by 5% or increasing benefits awards or reductions in housing costs.

However, one lever is to improve the lived experience. This means enhancing relationships and networks, improving qualifications and employability, improving physical and mental health and financial capability. These are areas where, working together, we can exert some influence and make progress.

1. Better Lives – Journey so far

In May 2024, representatives from groups and organisations from across the borough that provide help and support for residents struggling financially, met to map out the support available in Rossendale.

The organisations included:

- Rossendale Borough Council
- Rossendale Valley Energy
- Burnley, Pendle and Rossendale CVS
- Rossendale Works
- Citizens Advice East Lancashire
- Lancashire Carers Link
- LCC Public Health (Communities)
- RLT Health Coaches
- Homewise
- PCN Integrated Neighbourhood Team
- Newground Together
- Haslingden Community Link

The group identified 6 thematic area of support:

- Money and Debt
- Employment Support
- Food Support
- Homelessness
- Affordable Warmth
- Family Support

Digital Inclusion

These were them more intensively mapped in follow up workshops and meetings over the following 6 months.

Conclusions raised from the workshop and mapping exercises were:

1. There is a huge amount of support available in the borough, but support organisations were not aware of each other, which made supporting and signposting families on to the support they need very difficult.
2. Residents were not aware of most of the support available, and there is no 'one stop shop' either physical or online to help residents find the support they need.
3. There was no hyper local data available that allows organisations to target support to those that need it most.
4. Some groups were digitally excluded from accessing information on line, or using websites to upload information needed for some applications for support
5. There is no overall approach to supporting residents to maximise their income or seek advice.

From these workshops it was agreed that a more joined up approach was needed. The Communities team at Rossendale Borough Council have agreed to take these conclusions forward in developing a strategy to drive forward the actions needed to address financial vulnerability across the borough.

2. Policy Context

Better Lives Rossendale needs to be viewed within the wider policy context and environment locally and nationally.

Local government reorganisation is being actively considered at the time of writing with a number of options on the table for the future of Rossendale council. The likely choice will be an East Lancs unitary authority. And the plan is for this to be in place, albeit in shadow form by 2027/2028. Whilst we don't know exactly what the effects of this will be on local services it will be helpful to have started this work and embedded it with our key partners which should then continue into the future.

Current associated policies at Rossendale Borough Council include the Economic Development strategy and the Equality strategy. The latter is currently being revised and will include the new Socio-economic duty.

This is a high level policy response that contributes to the achievement of all three goals contained within the strategy.

Adoption of the duty would enable all service and departments in Rossendale Council to consider decisions and practices through an anti poverty lens. This reduces the risk that the stratregy becomes siloed and ensures all aspects of the council play their part in delivering its intended impact.

This includes all future strategic decisions, including commissioning, project/policy design and processes such as procurement and recruitment.

At time of writing 47 councils nationally have adopted the SED including Blackpool and Preston.

The Rossendale Economic Development Strategy has five priorities of which the following relates most closely to this strategy.

• Ensuring residents and communities reach their full economic potential; enhanced employment, skills and educational opportunities

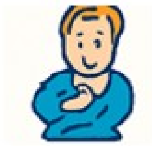
Many of the actions the Better Lives strategy contribute to this priority.

We continue to work closely with Lancashire County Council and are active members of cross district groups dealing with food poverty and Household Support, soon to be Crisis and resilience fund. We also work with LCC's Welfare Rights team to raise awareness of particular benefits – a recent campaign targeting over 75-year-olds in Rossendale for Pension Credit resulted in significant uptake and more than £500k coming into the borough in extra income for some of our poorest households.

3. Definition of Poverty

Poverty is the condition where individuals or families lack the financial resources to meet basic needs such as food, housing, clothing, and essential services. It includes both absolute poverty (insufficient income to meet basic survival needs) and relative poverty (living standards significantly below the average in society).

4. Causes and Impacts of Poverty in Rossendale

Causes of Poverty	Impacts of Poverty
Low Income and Unemployment  • Insecure, low income jobs • Unemployment and zero hours contracts	**On Individuals and Families**  • Poor health and food insecurity • Housing issues – poor condition, fuel poverty, threatened homelessness • Family breakdown • Stigma • Debt
High Cost of Living  • High rents and low LHA • Increasing energy bills • Transport	**On Children**  • Developmental delays • Health issues • Social exclusion
Welfare System Challenges  • Inadequate and underclaimed benefits • Benefit delays and sanctions	**On Communities**  • Crime and strained services • Reduced social mobility
Health Issues  • Physical and mental health issues • Limited access to services	**On the Economy**  • Lost productivity • Higher public spending

5. Poverty myths

Public perceptions of poverty are often shaped by prejudice and misinformation. To effectively address poverty, it's essential to challenge and dispel these myths, as they can undermine the actions we take. Common misconceptions include:

- The "bootstraps" myth – the belief that anyone can escape poverty through hard work alone.
- The "individual fault" myth – the assumption that people in poverty are lazy or irresponsible, and therefore deserve their circumstances.

- The "educability" myth – the idea that children living in poverty are inherently less intelligent or less prepared for school.
- The "culture of poverty" myth – the notion that people experiencing poverty share a uniform set of values, beliefs, and behaviours.
- The "intergenerational worklessness" myth – the belief that some families have multiple generations who neither work nor want to work.

In truth, poverty is driven by complex socioeconomic factors. It's crucial that we avoid making assumptions or passing judgment on those who experience it.

6. Poverty in Rossendale

According to the latest data from the UK Government and the Joseph Rowntree Foundation:

- Child Poverty: Around 29% of children in the UK live in poverty; Rossendale's rate is estimated to be above the national average, particularly in areas like Bacup and Stacksteads.
- Working-Age Poverty: Approximately 22% of working-age adults in the UK are in poverty, with Rossendale showing higher-than-average rates of economic inactivity and low-paid work.
- Deprivation: Rossendale contains several Lower Super Output Areas (LSOAs) in the top 20% most deprived in England, particularly in relation to income, employment, and health.
- Fuel Poverty: Rising energy costs have disproportionately affected households in older, poorly insulated housing stock common in Rossendale.
- Food Insecurity: Local food banks report increasing demand, particularly among working families and pensioners.

Some groups within our communities may be disproportionally affected by poverty due to overlapping and compounding disadvantages. For example, lone parents, disabled people, care leavers, minority ethnic communities, and unpaid carers often face additional barriers that intensify the impact of poverty and financial insecurity. These experiences can vary significantly depending on the interplay of different characteristics and circumstances.

In Rossendale:

- 19.8% consider themselves disabled under the Equalities Act, which is higher than the national average of 17.3%.
- 9.2% of the population provide unpaid care, with 2.9%providing more than 50 hours a week in unpaid carer hours.
- 7.6% of the Rossendale population are non-white, with 5.5% being of Asian heritage and 92.4% describe themselves as white. This is a significantly higher percentage than the England average of 81.%.
- 97.8% tell us that English is their main language, and 0.7 % say they don't speak English or don't speak English well. Both are lower figures than the England average.

- Rossendale has more people in the lower socio-economic classes, and less in higher managerial, administrative and professional occupations than the average figures for England.
- The population of Rossendale is older than the England average with significantly more 50–80-year-old residents.

The Rossendale Low Income Tracker (June 2025) tells us:

- Rossendale has 4822 low-income households with 1663 children.
- 1676 households live below the poverty line with 922 children.
- 912 households are in debt (Council tax and rent).
- These households owe £1.05M (Council tax and rent), on average this is £1154/household.
- 3063 households with a low income are households with disabilities.
- 39% of households are energy inefficient (EPC ratings D, E, F, G).

7. Our Vision

Our vision is that all Rossendale residents live their lives free of poverty and improve their levels of financial resilience

8. Goals

To achieve the vision, we have 3 key goals:

1. Reduce poverty – tackle the root causes of poverty with early intervention and preventative actions with a particular focus on maximising income from employment and social security.
2. Mitigate the impact of poverty – reduce the immediate and harmful effects of poverty on people's daily lives in the borough with a focus on ensuring all residents can access basic needs and essentials.
3. Improve cross borough partnership working within and across the Borough council, public sector, VCFSE and private sectors.

9. Our Ambitions

These ambitions, along with the goals, will also form a Better Lives Charter, a one-page document summarizing the overall aims and objectives of the Better Lives Strategy.

1. Addressing Debt – Goal 1

We will work with partners to understand the root causes of debt and develop early intervention strategies. Our aim is to prevent financial crisis before it happens and support residents to regain control of their finances.

Case Study: Citizens Advice

2. Income Maximisation – Goal 1

We will promote access to all available financial support, including benefits, grants, and discounts. Through targeted campaigns and advice services, we will help residents boost their income and reduce financial stress.

3. Employment Support – Goal 1

We will support residents who are furthest from the labour market through specialist services, training, and inclusive employment opportunities. Everyone deserves the chance to thrive in meaningful work.

4. The Basics – Goal 2

We will work to ensure that all residents have access to the essentials for a decent life - safe and secure housing, nutritious food, warmth, and hygiene. No one should be left behind in meeting their basic needs.

5. One Size Does Not Fit All – Goal 2

We will tailor our services to meet the needs of those most at risk of poverty, including families with children, disabled people, carers, older residents, and those facing multiple disadvantages. Equity, not just equality, will guide our approach.

6. Making Every Contact Count – Goal 3

We will empower our staff, partners, and communities to recognise the signs of poverty and confidently signpost people to the right support. Every interaction is an opportunity to make a difference.

Case Study: Homewise/Affordable Warmth

7. **Digital Inclusion – Goal 3**

We will explore how to improve the digital skills of our residents including access to training courses and the recruitment of digital champions. This will increase the uptake of benefit entitlements and, therefore, income. And we will work with our partners to consider their systems and processes to enable better access.

Case Study: Rossendale Works

10. Monitoring & Evaluation

Monitoring and evaluation are central to ensuring the Rossendale Better Lives Strategy delivers meaningful impact and remains responsive to community needs. The strategy outlines a multi-layered approach to M&E, including annual progress reports, equity impact assessments and partnership dashboards tracking key indicators. These mechanisms will help measure progress against the strategy's ambitions such as income maximisation, debt reduction, employment support and digital inclusion. By embedding equity impact assessments and collecting qualitative feedback from residents, the strategy ensures that interventions are not only data-driven but also grounded in real-life experiences.

Reports will be regularly presented to the Better Lives Rossendale Board who are responsible for the delivery of the action plan and acting upon the findings of all monitoring and evaluation.

To support transparency and shared ownership, the strategy commits to publishing annual progress reports and hosting a Poverty Action Summit in Year three.These milestones will showcase successes, identify areas for improvement, and renew commitment across sectors. Monitoring will also extend to communications efforts, tracking engagement through website analytics, social media reach, and event attendance. Case studies and testimonials will be used to illustrate the human impact of the strategy, reinforcing its empathetic and inclusive tone. Ultimately, the monitoring and evaluation framework is designed to ensure that no one in Rossendale is left behind, and that every action taken contributes to building greater financial resilience across the borough.

Our strategy is a three-year plan with three overarching outputs to maximise household incomes.

- Number and percentage of eligible pupils taking up Free School Meals (FSM).
- Number and percentage of individuals taking up Council Tax Support (CTS).
- Total value of income maximised through advice services/Lift.
- Progress in achieving these will be measured annually.

11. Local Initiatives Tackling Poverty in Rossendale

Rossendale Borough Council and its partners have launched and supported a range of initiatives aimed at reducing poverty, improving life chances, and building community resilience. Some examples are featured below – all available services will be mapped and promoted widely through our 'No one left behind' campaign – an action for Year One.

- Rossendale Works: A flagship employability programme that connects unemployed residents with local job opportunities, training, and support.
- Citizens Advice: A well-known and trusted organisation giving people the knowledge and confidence they need to find their way forward - whoever they are, and whatever their problem. They offer confidential advice online, over the phone, and in person, for free. CA deal with welfare benefits, debt, housing, employment and much more.
- Homewise: Homewise offer practical help and support to older, disabled and vulnerable homeowners to help them repair, improve and adapt their homes. They deliver Affordable Warmth activity on behalf of Rossendale Borough Council. These grants help to repair and replace faulty and old boilers and poor windows and doors.
- Homewise can also access further assistance to help people via Rossendale Borough Council's Emergency works grants. These grants can assist with roof work, poor electrical wiring and anything else that presents a risk to safety.
- The team also make referrals to East Lancs Citizens' Advice for energy advice and fuel vouchers, and links people into other Homewise services as required, things like the handyperson and small repairs service.
- Rossendale Valley Energy: Rossendale Valley Energy offers a free energy advice service that can help local residents get free energy advice and ongoing support. They can help you understand your energy bills and see if there are ways to reduce them. They can also help you access energy grants for your home.
- Low Income Family Tracker – Rossendale Borough Council have been working with a national organisation - Policy and Practice, to help identify households who may not be claiming all the benefits they are entitled to. This is via a piece of software called Low Income Family Tracker – LIFT. This will enable the council to run campaigns directly to these households and encourage take up wherever possible.
- Food banks – Rossendale has 7 food banks across the valley, some referral only, some drop in and 18 food boxes located in different neighbourhoods containing donated food.
- Household Support Fund – the council has been receiving Household support fund from Government over the last 4 years. This has enabled support to many of the services listed above. There is also an open application process for individuals and households in financial crisis. Although this is coming to an end the Government is replacing is with a new Crisis and Resilience fund.

12. Rossendale Better Lives Action Plan (2026–2029)

THEME	ACTION	LEAD	26/27	27/28	28/29
Working Together	Establish a Rossendale Better Lives Partnership Board	Communities Team	√		
	Publish an annual progress report	Communities Team	√	√	√
	Host a Poverty Action Summit to share learning, celebrate success and renew commitment	Better Lives Partnership			√
The Basics	Map existing services providing food, housing, and warmth and identify gaps in services	Communities Team/Better Lives Partnership	√		
	Explore the potential of the Crisis and Resilience fund to provide a local essentials fund for emergency needs in partnership with VCFSE organisations.	Communities Team/Better Lives Partnership	√		
	Explore funding opportunities for a feasibility study for a One stop shop in Rawtenstall offering a community grocery, access to advice, school uniforms etc.	Communities Team	√		
	Launch a 'No one left behind' campaign to raise awareness of available help.	Communities Team/Better Lives Partnership	√		
	Support community food networks to grow sustainable food access	Communities Team/Rossendale Food Group		√	
	Embed access to essentials into long-term local strategies (e.g. housing, health).	RBC			√
Making Every Contact	Train key partner agency staff and volunteers in	RBC/Better Lives Partnership		√	

Count	poverty awareness and signposting to support				
	Share learning regionally and nationally				√
One Size Does Not Fit All	Work with Citizens Advice to identify local residents with lived experience of poverty and hold focus group(s)	Communities Team/ Citizens Advice East Lancashire		√	
	Begin translating key materials into accessible formats and community languages	RBC			√
	Introduce equity impact assessments for all new policies and services	RBC		√	
	Champion and promote community-led projects that address specific local needs	Communities Team	√	√	√
	Continue co-production with lived experience panels	Better Lives Partnership			√
	Embed equity principles in commissioning and procurement	RBC			√
Addressing Debt	Partner with local advice agencies to deliver early-intervention debt workshops based on intelligence from the Low-Income Family Tracker platform	Communities Team/ Citizens Advice East Lancashire	√	√	√
	Pilot programme of early intervention debt support into e.g. Schools, GP surgeries	RBC/ Citizens Advice East Lancashire		√	
	Evaluate early intervention strategies and scale successful models	?			√
Income Maximisation	Run targeted benefit take-up campaigns (e.g. Pension Credit, Council Tax Support) using the Low-Income Family Tracker dashboard	Communities Team	√	√	√
	Update and distribute the Money Matters leaflet	Communities Team/Better Lives	√	√	√

		Project			
	Work with Rossendale Works to explore the potential of employers promoting in-work benefit checks and financial wellbeing	Communities Team/Rossendale Works		√	
Employment Support	Map employment support gaps for those furthest from the labour market	Communities Team/Rossendale Works/RBC Economic Development		√	
	Partner with adult learning providers to offer flexible, accessible training to support Rossendale residents to be work ready	Adult Learning		√	
	Support peer mentoring and lived experience employment pathways	Rossendale Works		√	
Digital Access	Launch digital skills drop-ins in libraries and community centres working with Lancashire adult learning	Communities Team/ Adult Learning		√	
	Launch a “Digital Champions” volunteer network	Communities Team/ Adult Learning		√	
	Introduce a streamlined digitally accessible benefits application process	RBC			√

13. Rossendale Better Lives Communications Plan (2026–2029)

1. Objectives

- Raise awareness of the Better Lives Strategy, Charter and Action Plan.
- Promote access to support services and resources.
- Engage residents, partners, and stakeholders in co-delivery.
- Share progress and celebrate success.
- Reduce stigma around poverty and financial hardship.

2. Key Audiences

Audience	Needs	Channels
Residents (esp. those at risk)	Clear info on support, how to access help	Social media, posters, community radio, local press, outreach
VCFSE sector	Partnership opportunities, updates, resources	Email bulletins, forums, workshops
Public sector partners	Alignment with services, training, referrals	Internal comms, briefings, intranet
Elected members	Progress updates, case studies, community impact	Reports, presentations, newsletters
Employers & businesses	Inclusive employment, support for staff	Business networks, Chamber of Commerce
Media & general public	Awareness, reducing stigma, promoting action	Press releases, campaigns, storytelling

3. Key Messages

- **“No one in Rossendale should go without the basics.”**
- **“Every contact is a chance to help.”**
- **“We’re listening to lived experience.”**
- **“Together, we can tackle poverty.”**
- **“Support is available—don’t wait to ask.”**

4. Channels & Tactics

Channel	Tactics
Website	Dedicated Anti-Poverty Hub with resources, updates, and referral links
Social media	Regular themed campaigns (e.g. #WarmAndWell, #DebtSupportWeek), video explainers, lived experience stories
Print	Leaflets, posters, banners in community venues, GP surgeries, schools
Email	Use the monthly community bulletins to promote financial resilience services.
Events	Annual Anti-Poverty Summit, roadshows, pop-up advice stalls
Media	Press releases, interviews, case studies in local newspapers and radio
Internal Comms	Staff briefings, intranet updates, MECC training promotions

5. Timeline Overview

Phase	Focus	Key Activities
Year 1	Awareness & Engagement	Launch campaign, MECC training comms, essentials fund promo
Year 2	Expansion & Integration	Promote new services, share success stories, employer engagement
Year 3	Impact & Sustainability	Publish impact report, celebrate champions, legacy messaging

6. Branding & Tone

- **Tone**: Empathetic, empowering, inclusive, clear.
- **Visuals**: Use real people (with consent), warm colours, accessible design.

- **Language**: Avoid jargon, use plain English, translate key materials.

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7. Monitoring & Evaluation

- Track engagement (website visits, social media reach, event attendance).
- Collect feedback from residents and partners.
- Use case studies and testimonials to show impact.

FOR MORE INFORMATION, PLEASE CONTACT THE COMMUNITIES TEAM.

ROSSENDALE BOROUGH COUNCIL

AGENDA ITEM: D2

Report Title:	Adoption of Supplementary Planning Guidance for Houses in Multiple Occupation (HMOs)		
Report to:	Cabinet	**Date:**	11th February 2026
Report of:	Head of Planning	**Cabinet Portfolio:**	Planning
Cabinet Lead Member:	Councillor A Barnes	**Wards Affected:**	All
Key Decision: ☒	Forward Plan ☒	General Exception ☐	Special Urgency ☐

Integrated Impact Assessment:	Required:	Yes	Attached:	Yes

Contact Officer:	Anne Storah/Louise Kirkup	**Telephone:**	01706 252418
Email:	annestorah@rossendalebc.gov.uk / louisekirkup@rossendalebc.gov.uk		

Valley Plan Priorities	**Thriving Local Economy:** This involves securing new inward investment, creating a sustainable economy, matching local skills with future job opportunities, and supporting town centres as unique destinations.	☒
	High Quality Environment: This includes having a "clean and green" local environment, reducing the borough's carbon footprint, improving waste and recycling rates, and delivering new homes with a good mix of housing tenures.	☒
	Healthy & Proud Communities: This priority focuses on improving the health and physical/mental wellbeing of residents, reducing health inequalities, ensuring access to better leisure facilities and health services, and fostering a sense of pride in the community.	☒
	Effective & Efficient Council: The aim is to provide good quality and responsive services, embrace new technology, be a financially sustainable council with a commercial outlook, and ensure sound governance.	☒

1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

1.1 To provide information about the responses to the public consultation on the Draft Houses in Multiple Occupation (HMOs) SPG and to recommend adoption of the amended SPG.

1.2 The Draft SPG was published for 4 weeks consultation from 13 November 2025 until 11 December 2025. 41 representations were submitted in total. All representations have been considered and some changes are proposed to the SPG in response to comments made.

2. RECOMMENDATIONS

1.1 To approve the Houses in Multiple Occupation (HMOs) Supplementary Planning Guidance (SPG) for use in the determination of all planning applications for Houses in Multiple Occupation.

1.2 Minor amendments to the SPG including formatting changes to be delegated to the Head of Planning and Lead Member.

3. BACKGROUND AND REASON FOR THE DECISION

3.1 Rossendale Borough has seen an increase in the number of HMOs in recent years. In response to concerns raised by local residents and Members, Rossendale Borough Council issued an Immediate Article 4 Direction on 19 September 2025, covering the entire borough for Houses in Multiple Occupation (HMOs). This means that planning permission is required for all Houses in Multiple Occupation. It affects all properties which are being changed to small HMOs (i.e. with 3 to 6 unrelated individuals who share facilities, such as a kitchen), as they no longer benefit from permitted development rights. Conversion to a large HMO still requires consent. A separate consultation was undertaken on the introduction of this Article 4 Direction and the 21 comments received can be viewed at https://www.rossendale.gov.uk/downloads/file/19321/responses-received

3.2 To assist in determining planning applications for HMOs (both small and large), it is considered necessary to issue specific planning guidance in order to manage their quality, spread and location. Therefore, the Houses in Multiple Occupation (HMOs) Supplementary Planning Guidance (SPG) has been prepared to guide decisions on planning applications for HMOs in the Borough. The SPG contains new Policy 1 – Houses in Multiple Occupation, whereby planning applications for Houses in Multiple Occupation will be considered suitable provided they meet all eight criteria, as set out in the Policy.

3.3 The Draft Supplementary Planning Guidance for Houses in Multiple Occupation was approved for consultation by Overview and Scrutiny (O&S) Committee on 10 November 2025. The consultation period ran for 4 weeks from 13 November 2025 until 11 December 2025. An additional briefing session was held for members of O&S on 25 November. The Consultation Statement (attached to this Report) summarises the key responses to the Draft SPG and includes a table listing actions the Local Planning Authority is considering. These include both proposed amendments to the SPG in response of the representations made, and where required, further information and explanation.

3.4 In summary a total of 41 responses were submitted: six from statutory consultees (who had no comments to make), Rossendale Borough Council Waste and Recycling services, and 34 from residents, business owners, community service providers and 'others'. There were 2 representations with comments submitted by email and 33 representations submitted using an online form (SmartSurvey).

3.5 There was a recommendation from Rossendale Borough Council Waste and Recycling Services to amend Criterion 5 to refer to the number of occupants to ensure that there is not an under or over provision of containers for each waste type. The two Rossendale PCNs jointly objected to the Policy due to concerns that it could lead to extra pressure from the additional homes which would negatively impact on General Medical services provided to both existing and any new patients in the area.

3.6 Responses to the SmartSurvey showed that the Draft Policy Criteria were all supported by a majority of representations with the exception of Criterion 2 which was only supported by 42% (14 representations). However, these were not objections but rather suggestions to changing the threshold, please see para 3.9 below. There were a number of comments, queries and suggestions for changes for each of the criteria.

3.7 Some of the comments relate to licensing and HMO Standards and these have been referred to Environmental Health for their consideration. In summary these were:

- Concerns about lack of enforcement for licensing generally.
- Need for a selective licensing system for smaller HMOs (2-3 persons).
- Update 2020 HMO Standards to improve fire safety and raise EPC minimum to C.
- Carry out regular inspections and shorten licence periods for high-risk landlords.
- Publish an HMO register and location map with annual enforcement information.
- Check properties regularly to ensure standards and upkeep maintained.
- Withhold licence until the building meets a satisfactory standard.

- Quinquennial report provided by landlord to include community views, fire service and police/crime incidents relating to HMO occupancy.
- Review Standards to ensure following the correct policy of checking NHS, MAPPA etc.
- Should be no gas provision allowed in any HMO due to safety reasons.
- Standards should be tighter.
- Need for sound / noise insulation.
- Standards should be renewed annually and amended. Any variation within the property should be legally enforced. Fee suggested for applications.

3.8 Comments, where appropriate, have informed proposed changes to the HMO Policy and Explanation Table.

3.9 Criterion 2 sets out the requirement for HMOs to be within walking distance (250m) of town centres and this was supported by 14 (42% of) respondents. A further 9 respondents (27%) did not agree and 10 (30%) were unsure. There were comments suggesting that the distance should be increased or decreased and also that a clearer definition of 'town centre' is required to reduce uncertainty.

3.10 Criterion 5 requires sufficient space storage provision for waste and recycling containers in a suitable enclosure area within the curtilage of the property. This (together with Criterion 7) was supported by the highest proportion of respondents (32 or 97% of representations to the SmartSurvey) and there were comments expressing residents' concerns about the need for waste and recycling to be managed effectively.

3.11 Other comments included objections to HMOs generally, concerns about the standard of accommodation being provided, landlords' profits, safety of local children and older people, immigration, type of residents likely to occupy HMOs and the concentration of HMOs in built up areas.

3.12 Proposed key changes to the Draft Policy are:

- Amendment to Criterion 2: deletion of 'town centre' and addition of text referring to 'the boundary of a Town Centre, or District Centre, or Local Centre or Neighbourhood Parade as identified in Rossendale Local Plan 2019 to 2036 Policy R1: Retail and Other Town Centre Uses and the Local Plan Policies Map'. This is to provide greater certainty and clarity to the Policy.
- Amendment to Criterion 6 to remove "On submission, the property must be of a high standard" as at the point of submission some planning applications will include proposed refurbishment of and improvements to existing empty, neglected or run down properties as part of the HMO development.

3.13 There are also several changes proposed to the Explanation Table. These are:

- For Criterion 3 reference should be made to the Alterations and Extensions to Residential Properties SPD. This provides detailed advice about development of residential driveways and off street parking including where proposals would lead to a loss of garden space.
- In addition, the Explanation Table for Criterion 3 should refer to the Accessibility Questionnaire in Appendix 1 of Rossendale Local Plan 2019 to 2036.
- For Criterion 5 a minimum requirement for waste and recycling containers based on the number of occupants of the HMO should be added. This is to address concerns about the adequacy of provision and to minimise local problems of litter.

3.14 All of these are proposed in response to comments from respondents about how planning applications would be assessed.

3.15 The revised Supplementary Planning Guidance for Houses in Multiple Occupation showing the proposed changes to the Policy and Explanation Table is attached to this Report.

3.16 Adopting the Supplementary Planning Guidance for Houses in Multiple Occupation will enable the Council to effectively manage planning applications for HMOs. It is not the purpose of the policy to refuse houses in multiple occupation but to ensure they are located in suitable locations with appropriate facilities and are not detrimental to the character or amenity of the area.

4. RISK

4.1 This policy has been consulted on widely with stakeholders, statutory consultees and local residents. On adoption, the SPG will be open to challenge in the period immediately post adoption. Planning decisions that are made using this policy as a reason for refusal can be appealed and so this policy could be scrutinised by Planning Inspectors. Nevertheless, the risk associated is considered to be outweighed by the need to issue further guidance to ensure the amenity for both the occupiers of the HMOs and neighbouring properties is maintained.

5. SECTION 151 OFFICER COMMENTS (FINANCE)

5.1 Adopting the SPG will likely require additional resources from the Planning and Environmental Health teams in determining these planning applications.

6. MONITORING OFFICER COMMENTS (LEGAL)

6.1 Legal implications are covered in the body of the report. Consultation on the Draft SPG was undertaken for a period of at least four weeks. Comments received have been considered as set out in the attached Consultation Statement and the final document is recommended for adoption. The public consultation has allowed for concerns to be identified.

7. INTEGRATED IMPACT ASSESSMENT IMPLICATIONS

7.1 An Equality Impact Assessment and Biodiversity Impact assessment accompany this Report.

8. POLICY/STRATEGY FRAMEWORK IMPLICATIONS

8.1. Rossendale Local Plan 2019 to 2036: Local Plan Vision and Objectives for People, Economy and Environment. Strategic Policy HS1: Meeting Rossendale's Housing Requirement and Strategic Policy ENV1: High Quality Development in the Borough

8.2 The Valley Plan – Our Place, Our Plan 2025-2025 emphasises that "having access to a good quality home to either rent or buy plays a fundamental part in our residents' quality of life." In order to achieve this, measures include:

- boosting the numbers of homes which are affordable for local people to rent or buy;
- having good access to facilities and services to improve both physical and mental wellbeing;
- support communities to be vibrant, sustainable and for people to be proud of where they live.

9. LOCAL GOVERNMENT REORGANISATION IMPLICATIONS

9.1 It is expected that the Rossendale Local Plan 2019-2036 will remain in force until it is replaced by a new Local Plan. As such this policy will apply to the area of Rossendale unless it is revoked or updated, or is successfully challenged, or a new local plan is brought forward.

10. BACKGROUND PAPERS

10.1 Consultation on Draft Supplementary Planning Guidance for Houses in Multiple Occupation (HMO) (Report to Overview and Scrutiny Committee 10 November 2025)
https://www.rossendale.gov.uk/meetings/meeting/1494/overview-and-scrutiny-committee

10.2 Article 4 Direction - Houses in Multiple Occupation – 19 September 2025
https://www.rossendale.gov.uk/planning-building-control/planning/6

10.3 Rossendale Local Plan 2019 to 2036
https://www.rossendale.gov.uk/local-plan/adopted-local-plan

10.4 Supplementary Planning Guidance for Houses in Multiple Occupation (HMOs) January 2026
- attached

10.5 Consultation Statement for Supplementary Planning Guidance for Houses in Multiple Occupation (HMOs) January 2026
- attached

10.6 Responses Received Consultation on Supplementary Planning Guidance for Houses in Multiple Occupation (HMOs) January 2026
https://www.rossendale.gov.uk/downloads/file/19337/comments-received-during-the-consultation

10.7 Equalities Impact Assessment
- attached

10.8 Biodiversity Impact Assessment
- attached

ROSSENDALE
BOROUGH
COUNCIL

Supplementary Planning Guidance for Houses in Multiple Occupation (HMOs)

February 2026

Version for adoption by Cabinet

Contents

1. Introduction

1.1 Houses in multiple occupation (HMOs) form a vital part of the private rented sector, providing cheaper, flexible, communal accommodation for people whose housing options are often limited. Previously popular for students, there is now also a growing number of young professionals and migrant workers who choose to share. HMOs provide flexible accommodation for people with short-term housing needs, including people in-between properties, those employed on short-term contracts, and others who are saving to purchase a home.

1.2 However, not all properties are suitable for multiple occupation, and the risk of overcrowding and fire can be greater than with other types of accommodation. Some HMOs are occupied by the most vulnerable people in our society.

1.3 The relatively cheaper housing attracts businesses specialising in delivering HMOs. Unchecked, an over-concentration of HMOs may cause adverse impacts, out-pricing families in need of housing, and changing the character of neighbourhoods. Properties should be suitable for occupation by multiple households, with no adverse impacts for occupiers or neighbouring properties.

1.4 The Council introduced an Immediate Article 4 Direction across the whole of Rossendale on 19 September 2025. This means that from then all properties operating as an HMO in Rossendale will require planning permission.

1.5 This Supplementary Planning Guidance (SPG) has been produced to manage the provision of all new HMOs in Rossendale and ensure high standards of accommodation, whilst maintaining the amenity and character of local communities. It is intended to ensure that applicants, communities and other interested parties can gain further detail on what is likely to be permitted.

1.6 The policy will not affect existing HMOs, but it will be an important material consideration in the determination of planning applications for all new HMOs.

1.7 This planning policy links to the Council's Housing Standards for HMOs, (most recently adopted in 2020), but it will be necessary for applicants/owners to check compliance with other legislation, e.g. licensing and building regulations.

1.8 The Draft Supplementary Planning Guidance for Houses in Multiple Occupation was published for 4 weeks public consultation from 13 November 2025 to 11 December 2025. The Consultation Statement can be viewed on the website.[1]

What is an HMO?

1.10 HMOs[2] are properties occupied by unrelated individuals, who share basic amenities such as a kitchen and/or bathroom. For planning, HMOs can be large (with more than 6 occupants in the dwelling) or small (for 3 to 6 occupants). Please see Appendix 1 for definition.

[1] https://www.rossendale.gov.uk/local-plan/supplementary-planning-documents-spds-guidance

[2] UK Government Guidance. House in multiple occupation and residential property licensing reform: guidance for local housing authorities, October 2019. Available at: Houses in multiple occupation and residential property licensing reform: guidance for local housing authorities - GOV.UK

2. Policy and Legal Context

2.1 This section outlines the national and local policy context at the time of writing.

The National Planning Policy Framework (NPPF), 2025

2.2 The NPPF sets out the Government's planning policies for England. To achieve sustainable development, it expects the planning system to support strong, vibrant and healthy communities. There is no specific reference to HMOs but local planning authorities are required to make provision for size, type and tenure of housing needs for different groups in the community, including those who require affordable housing, families, and people who rent their homes.

2.3 Chapter 11 of the NPPF promotes making effective use of land in meeting the need for homes and other uses, while safeguarding and improving the environment and ensuring safe and healthy living conditions. Chapter 12 emphasises the importance of creating high quality, beautiful and sustainable buildings and places to promote health and well-being, with a high standard of amenity for existing and future use.

2.4 This SPG will support HMO developments to ensure mixed and balanced communities with a high standard of accommodation and amenity.

<u>Local Policies in Rossendale</u>

Our Place, Our Plan

2.5 The Council Valley Plan 2021-2025 (Our Place, Our Plan), has a vision that is supported by four strategic priority areas:

"To have a thriving economy, built around our changing town centres, creating a quality environment for all and improving the life chances of all those living and working in our borough"

Thriving Local Economy
Our Future

High Quality Environment
Our Valley

Healthy and Proud Communities
Our People

Effective and Efficient Council
Our Hearts

2.6 Under Healthy and Proud Communities, the Council emphasises that "having access to a good quality home to either rent or buy plays a fundamental part in our residents' quality of life." In order to achieve this, measures include:

- boosting the numbers of homes which are affordable for local people to rent or buy;
- having good access to facilities and services to improve both physical and mental wellbeing;
- support communities to be vibrant, sustainable and for people to be proud of where they live.

2.7 One of the Strategic Priorities is to increase the number of good quality new homes and associated infrastructure built through both direct provision and by working with Registered Social Landlords and private sector developers.

Rossendale Local Plan (2019 – 2036)

2.8 The Rossendale Local Plan 2019 to 2036, adopted December 2021, designates land and buildings for future uses to meet the Borough's needs and sets out how new development should look like and how it should fit with its surrounding.

2.9 The Local Plan's Vision states that

"housing and employment growth and a range of policies designed to enhance the built, natural and social environment, will boost the economic potential of the Borough and improve health and well-being of residents. The special character will be maintained whilst supporting and accommodating sustainable growth for the Borough, its residents and businesses"

2.10 The strategic objectives of the Rossendale Local Plan are to provide a greater choice and quality of housing by:

- Meeting housing and employment land needs in line with national policy whilst protecting the borough's natural and built environment, and;

- Improving housing choice and meeting housing needs for all groups, including specialist and affordable housing

2.11 Whilst there is no specific policy within the Local Plan relating to the development of HMOs, there is a concern that the recent rise in the number of HMOs in the Borough has the potential to impact the quality and choice of housing available. As a result, the Council introduced the Article 4 Direction requiring consent for all small HMOs and this supplementary planning guidance note is intended to help in the determination of such planning applications to ensure that suitable HMOs are delivered in the right places.

2.12 Policy HS5 of The Rossendale Local Plan requires that new housing development of more than 5 dwellings should have at least 20% specifically tailored to meet the needs of elderly or disabled residents or be easily adaptable in line with the Optional Standards M4(2) of the Building Regulations.

2.13 The Parking Standards set out in Appendix 1 requires new development to provide 2 parking spaces for new development with 3 bedrooms and 3 parking spaces for new development with 4 or more bedrooms. As HMOs contain individuals living independently of each other it is considered these standards could be applied, subject to any comments from LCC Highways.

Article 4 Direction

2.14 Although a large HMO always requires planning consent, a small HMO can be permitted development, unless these rights have been removed through the introduction of an Article 4 Direction[3]. Rossendale Borough Council issued an Immediate Borough-wide Article 4 Direction on 19 September 2025.

2.15 The Article 4 Direction removes the permitted development rights for the change of use from Class C3 residential dwelling to HMOs for 3 to 6 occupants (Class C4). By requiring planning consent, the Council can ensure that this accommodation is established in appropriate properties in suitable locations.

2.16 This does not apply retrospectively. Any small HMOs that were in operation prior to the introduction of the Article 4 Direction will not need planning permission. HMO owners can apply to the Council for a Lawful Development Certificate to confirm this, providing evidence.

2.17 Rossendale has recently seen a notable increase in HMOs across the Borough. These areas include on the main road networks and in established residential areas, with the potential to cause transport issues and change the character of the housing stock. Several HMOs clustered in one area can have an unacceptable impact on the local amenity and upset balanced communities.

Licensing

2.18 This SPG relates to planning applications. All property owners, agents etc who let houses in multiple occupation may also need to apply separately for an HMO licence. Please view the up-to-date licensing requirements on the Council's website. (Please see HMO application form | Rossendale Borough Council)[4]

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2.19 The Council offers a paid pre-application service for applicants prior to the submission of a planning application. Further details are available on the Council's website at https://www.rossendale.gov.uk/planning-building-control/planning/4 This webpage also explains how you can apply for planning permission.

[3] Article 4 Direction requiring planning permission for small HMOs, introduced by Rossendale BC on 19 September 2025, Article 4 Directions | Planning | Rossendale Borough Council

[4] https://www.rossendale.gov.uk/downloads/download/11076/hmo-application-form

3. SPG for Houses in Multiple Occupation

Purpose and Scope of the SPG

3.1 The Council wants to ensure the delivery of good quality accommodation in appropriate premises and locations to meet accommodation needs, without resulting in undue harm to the character and amenity of local communities.

3.3 Rossendale's stock of HMOs forms part of the private rented sector, providing much needed homes and contributing to people's housing choice. Generally, HMOs are more affordable, flexible, and suitable for younger people and other households that are not living as families. As well as reducing housing costs for individuals, sharing homes can have positive social benefits for occupiers.

3.4 Trends in the housing market make it difficult, especially for low-income and single person households, to find suitable accommodation to meet and suit their needs and preferences. Hence there is a role for HMOs in the housing mix.

3.5 Whilst contributing to meeting housing needs, the increase in the number of HMOs can have the potential to create harmful impacts. Concentrations within neighbourhoods can lead to imbalanced and unsustainable communities and can damage the residential amenity and character of surrounding areas.

3.6 Harmful impacts associated with high numbers of HMOs can include:

- Reduced social cohesion resulting from demographic imbalance
- Reduced housing choice resulting from housing type/tenure imbalance (e.g. from permanent family housing to more transient accommodation)
- Reduced community engagement from residents resulting from an increase in the transient population of an area
- Noise and disturbance resulting from intensification of the residential use;
- Detriment to visual amenity resulting from poor or accumulative external alterations to properties and/or poor waste management
- Highway safety and air pollution concerns resulting from congested on-street parking.

3.7 The increase in HMOs is not specific to Rossendale. Many communities across the UK have seen similar trends and councils are using a range of policy tools and housing and planning powers to tackle high concentrations of HMOs. One of the most typical has been through adoption of additional planning guidance.

3.8 The following principles underly this policy:

- to ensure that new HMOs are delivered in suitable locations;
- to prevent over-concentration of HMOs order to safeguard communities, for example by ensuring a supply of housing for families,
- to protect the local character and amenity,
- to ensure the occupants of HMOs have satisfactory amenity, and
- to ensure that the development of HMOs does not impact on local character or the amenity of neighbours.

Policy 1 – Houses in Multiple Occupation

Houses in Multiple Occupation will be considered suitable where all the following criteria are met:

(1) The HMO is not within 50m radius distance of an existing known HMO;

(2) The development is within walking distance (within 250m) of the boundary of a Town Centre, or District Centre, or Local Centre or Neighbourhood Parade as identified in Rossendale Local Plan (2019 to 2036) Policy R1: Retail and Other Town Centre Uses and the Local Plan Policies Map;

(3) There is sufficient off-street car-parking (unless the property is located in a very sustainable location with excellent access to public transport) and development will not increase highway safety concerns;

(4) There is sufficient space within the curtilage for the provision of sufficient secure cycle parking;

(5) There is sufficient space storage provision for waste and recycling containers in a suitable enclosure area within the curtilage of the property;

(6) The condition of the property will be of a high standard, and will contribute positively to the character of the immediate locality with assurances that the condition of the property will be maintained following the change of use to HMO;

(7) The increase in the number of residents will not have an adverse impact on the level of amenity neighbouring residents can reasonably expect to enjoy;

8) The development accords with the Council's latest version of Standards

for Houses in Multiple Occupation[5].

Explanation

3.9 The table below provides an explanation for each of the criterion listed above:

	Criteria	Explanation
1.	The HMO is not within 50m (radius) distance of an existing known HMO;	This is to avoid clustering and adverse cumulative impacts on neighbouring properties.
2.	The development should be within walking distance (within 250m) of a town centre;	To be sustainable. Occupants are more likely to be reliant on public transport to access services.
3.	There is sufficient off-street car-parking parking (unless the property is located in a very sustainable location with excellent access to public transport) and the development will not increase highway safety concerns;	Where it can be expected that occupants are likely to have cars, there should be adequate parking so as not to impact on highway safety, in accordance with the Local Plan's parking standards and comments from the Highway Authority. Applicants also should have regard to the Alterations and Extensions to Residential Properties SPD which provides guidance for the development of driveways and parking areas within the curtilage of residential properties. The sustainability of the location and access to public transport will be assessed in accordance with the Accessibility Questionnaire in Appendix 1 of Rossendale Local Plan 2019 to 2036.
4.	There is sufficient space within the curtilage for the provision of sufficient secure cycle parking;	Occupants are more likely to rely on cycles, which need to be stored so as not to clutter streets or be stored inappropriately indoors.
5.	There is sufficient space storage provision for waste and recycling containers in a suitable enclosure area within the curtilage of the property.	To ensure the amenity of the locality is not adversely affected by waste and recycling containers or litter. The Council expects provision to be at a minimum ratio of one household waste bin and associated recycling containers per 5 residents. This may be subject to change in the future following a review of Council Policy.

[5] https://www.rossendale.gov.uk/downloads/file/18511/hmo-property-standards

6.	On submission of a planning application, the condition of the property must be of a high standard, and contribute positively to the character of the immediate locality with assurances that the condition of the property will be maintained following the change of use to HMO[6]	To ensure the amenity for residents is not adversely affected by poorly converted properties and that the amenity for neighbouring properties is maintained following the conversion. Please refer to Appendix 1 – Property Condition Standards Checklist of RBC's Standards for Houses in Multiple Occupation (2020) see 12th February 2020: Cabinet | Rossendale Borough Council .
7.	The increase in the number of residents will not have an adverse impact on the level of amenity neighbouring residents can reasonably expect to enjoy.	To ensure that issues such as excessive noise or increased access to services are addressed.
8.	The development accords with the Council's latest version of Standards for Houses in Multiple Occupation, published by the Environmental Health team[7]	To ensure the HMO is suitable for people living in the property the policy addresses: • Legal standards – free from hazards • Management Regulations • Space standards / useable space • Washing facilities and toilets • Kitchens • Fire Safety • Waste disposal.

3.10 Policies from the adopted Rossendale Local Plan 2019-2036 (adopted December 2021) as well as other material planning considerations may also relevant to the determination of a planning application for a house in multiple occupation.

Please visit the Council's website for details of the Local Plan https://www.rossendale.gov.uk/local-plan/adopted-local-plan

For details of other planning policies which may be relevant please visit https://www.rossendale.gov.uk/local-plan/supplementary-planning-documents-spds-guidance

[6] 12th February 2020: Cabinet | Rossendale Borough Council
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APPENDIX 1 – Definition of an HMO

The full legal definition of a House in Multiple Occupation is given under s.254 of the Housing Act 2004.

The Housing Act 2004 clarifies the definition of a house in multiple occupation (HMO), replacing the definition under the Housing Act 1985.

The definition of an HMO is found in Part 7 of the 2004 Act.

To be defined as an HMO, a building, or part thereof, must fall within one of the following categories[8]:

- a building or flat in which two or more households share a basic amenity, such as bathroom, toilet or cooking facilities: this is known as the 'standard test' or the 'self-contained flat test'
- a building that has been converted and does not entirely comprise of self-contained flats: this is known as the 'converted building test'
- a building that is declared an HMO by the local authority
- a converted block of flats where the standard of the conversion does not meet the relevant building standards and fewer than two-thirds of the flats are owner-occupied: this is known as a section 257 HMO

[8] https://england.shelter.org.uk/professional_resources/legal/housing_conditions/hmo_standards/house_in_multiple_occupation_hmo_definition#reference-1

Supplementary Planning Guidance for Houses in Multiple Occupation (HMOs)

February 2026

TRACKED CHANGE VERSION

Contents

1. Introduction

1.1 Houses in multiple occupation (HMOs) form a vital part of the private rented sector, providing cheaper, flexible, communal accommodation for people whose housing options are often limited. Previously popular for students, there is now also a growing number of young professionals and migrant workers who choose to share. HMOs provide flexible accommodation for people with short-term housing needs, including people in-between properties, those employed on short-term contracts, and others who are saving to purchase a home.

1.2 However, not all properties are suitable for multiple occupation, and the risk of overcrowding and fire can be greater than with other types of accommodation. Some HMOs are occupied by the most vulnerable people in our society.

1.3 The relatively cheaper housing attracts businesses specialising in delivering HMOs. Unchecked, an over-concentration of HMOs may cause adverse impacts, out-pricing families in need of housing, and changing the character of neighbourhoods. Properties should be suitable for occupation by multiple households, with no adverse impacts for occupiers or neighbouring properties.

1.4 The Council introduced an Immediate Article 4 Direction across the whole of Rossendale on 19 September 2025. This means that from then all properties operating as an HMO in Rossendale will require planning permission.

1.5 This Supplementary Planning Guidance (SPG) has been produced to manage the provision of all new HMOs in Rossendale and ensure high standards of accommodation, whilst maintaining the amenity and character of local communities. It is intended to ensure that applicants, communities and other interested parties can gain further detail on what is likely to be permitted.

1.6 The policy will not affect existing HMOs, but it will be an important material consideration in the determination of planning applications for all new HMOs.

1.7 Although this planning policy links closely to the Council's Housing Standards for HMOs, (the most recent version of which was adopted by Cabinet in 2020), it will be necessary for applicants/owners to check compliance with other legislation, such as licensing and building regulations.

1.8 **The Draft Supplementary Planning Guidance for Houses in Multiple Occupation (HMOs) was published for 4 weeks public consultation from 13 November 2025 until 11 December 2025. The responses are published on the Local Plan page of the Borough Council's website and summarised in the accompanying Consultation Statement.**

1.9 **The SPG was adopted by the Borough Council on XXX 2026.**

What is an HMO?

1.10 Houses in multiple occupation (HMOs)[1] are properties occupied by unrelated individuals, who share basic amenities such as a kitchen and/or bathroom. For planning, HMOs can be large (with more than 6 occupants in the dwelling) or small (for 3 to 6 occupants). Please see Appendix 1 for definition.

2. Policy and Legal Context

2.1 This section outlines the national and local policy context at the time of writing.

The National Planning Policy Framework (NPPF), 2025

2.2 The NPPF sets out the Government's planning policies for England. To achieve sustainable development, it expects the planning system to support strong, vibrant and healthy communities. There is no specific reference to HMOs but local planning authorities are required to make provision for size, type and tenure of housing needs for different groups in the community, including those who require affordable housing, families, and people who rent their homes.

2.3 Chapter 11 of the NPPF promotes making effective use of land in meeting the need for homes and other uses, while safeguarding and improving the environment and ensuring safe and healthy living conditions. Chapter 12 emphasises the importance of creating high quality, beautiful and sustainable buildings and places to promote health and well-being, with a high standard of amenity for existing and future use.

2.4 This SPG will support HMO developments to ensure mixed and balanced communities with a high standard of accommodation and amenity.

Local Policies in Rossendale

Our Place, Our Plan

2.5 The Council Valley Plan 2021-2025 (Our Place, Our Plan), has a vision that is supported by four strategic priority areas:

"To have a thriving economy, built around our changing town centres, creating a quality environment for all and improving the life chances of

[1] UK Government Guidance. House in multiple occupation and residential property licensing reform: guidance for local housing authorities, October 2019. Available at: Houses in multiple occupation and residential property licensing reform: guidance for local housing authorities - GOV.UK

all those living and working in our borough"

Thriving Local Economy Our Future	High Quality Environment Our Valley	Healthy and Proud Communities Our People	Effective and Efficient Council Our Hearts

2.6 Under Healthy and Proud Communities, the Council emphasises that "having access to a good quality home to either rent or buy plays a fundamental part in our residents' quality of life." In order to achieve this, measures include:

- boosting the numbers of homes which are affordable for local people to rent or buy;
- having good access to facilities and services to improve both physical and mental wellbeing;
- support communities to be vibrant, sustainable and for people to be proud of where they live.

2.7 One of the Strategic Priorities is to increase the number of good quality new homes and associated infrastructure built through both direct provision and by working with Registered Social Landlords and private sector developers.

Rossendale Local Plan (2019 – 2036)

2.8 The Rossendale Local Plan 2019 to 2036, adopted December 2021, designates land and buildings for future uses to meet the Borough's needs and sets out how new development should look like and how it should fit with its surrounding.

2.9 The Local Plan's Vision states that

"housing and employment growth and a range of policies designed to enhance the built, natural and social environment, will boost the economic potential of the Borough and improve health and well-being of residents. The special character will be maintained whilst supporting and accommodating sustainable growth for the Borough, its residents and businesses"

2.10 The strategic objectives of the Rossendale Local Plan are to provide a greater choice and quality of housing by:

- Meeting housing and employment land needs in line with national policy whilst protecting the borough's natural and built environment, and;

- Improving housing choice and meeting housing needs for all groups, including specialist and affordable housing

2.11 Whilst there is no specific policy within the Local Plan relating to the development of HMOs, there is a concern that the recent rise in the number of HMOs in the Borough has the potential to impact the quality and choice of housing available. As a result, the Council introduced the Article 4 Direction requiring consent for all small HMOs and this supplementary planning guidance note is intended to help in the determination of such planning applications to ensure that suitable HMOs are delivered in the right places.

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3.1 The Council wants to ensure the delivery of good quality accommodation in appropriate premises and locations to meet accommodation needs, without resulting in undue harm to the character and amenity of local communities.

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3.6 Harmful impacts associated with high numbers of HMOs can include:

- Reduced social cohesion resulting from demographic imbalance
- Reduced housing choice resulting from housing type/tenure imbalance (e.g. from permanent family housing to more transient accommodation)

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- Reduced community engagement from residents resulting from an increase in the transient population of an area
- Noise and disturbance resulting from intensification of the residential use;
- Detriment to visual amenity resulting from poor or accumulative external alterations to properties and/or poor waste management
- Highway safety and air pollution concerns resulting from congested on-street parking.

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SPG for Houses in Multiple Occupation

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(3) There is sufficient off-street car-parking (unless the property is located in a very sustainable location with excellent access to public transport) and development will not increase highway safety concerns;

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Explanation

3.9 The table below provides an explanation for each of the criterion listed above:

	Criteria	Explanation
1.	The HMO is not within 50m (radius) distance of an existing known HMO;	This is to avoid clustering and adverse cumulative impacts on neighbouring properties.
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6.	On submission of a planning application, the condition of the property must be of a high standard, and contribute positively to the character of the immediate locality with assurances that the condition of the property will be maintained following the change of use to HMO[5]	To ensure the amenity for residents is not adversely affected by poorly converted properties and that the amenity for neighbouring properties is maintained following the conversion. Please refer to Appendix 1 – Property Condition Standards Checklist of RBC's Standards for Houses in Multiple Occupation (2020) see 12th February 2020: Cabinet | Rossendale Borough Council .
7.	The increase in the number of residents will not have an adverse impact on the level of amenity neighbouring residents can reasonably expect to enjoy.	To ensure that issues such as excessive noise or increased access to services are addressed.
8.	The development accords with the Council's latest version of Standards for Houses in Multiple Occupation, published by the Environmental Health team[6]	To ensure the HMO is suitable for people living in the property the policy addresses: • Legal standards – free from hazards • Management Regulations • Space standards / useable space • Washing facilities and toilets • Kitchens • Fire Safety • Waste disposal.

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To be defined as an HMO, a building, or part thereof, must fall within one of the following categories[7]:

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- a building that has been converted and does not entirely comprise of self-contained flats: this is known as the 'converted building test'
- a building that is declared an HMO by the local authority
- a converted block of flats where the standard of the conversion does not meet the relevant building standards and fewer than two-thirds of the flats are owner-occupied: this is known as a section 257 HMO

[7] https://england.shelter.org.uk/professional_resources/legal/housing_conditions/hmo_standards/house_in_multiple_occupation_hmo_definition#reference-1

ROSSENDALE BOROUGH COUNCIL

Consultation Statement for Supplementary Planning Guidance for Houses in Multiple Occupation (HMOs)

January 2026

A High Quality Environment

Contents

Responsible Service	Forward Planning	**Version/Status**	Version 1
Responsible Author	Louise Kirkup Forward Planning	**Date Agreed/ Agreed At**	
Date last Amended	8 January 2026	**Due for Review**	N/A

Rossendale Borough Council is committed to encouraging equality, diversity and inclusion to eliminate unlawful discrimination. To support this other format of this document are available upon request. Please contact PeopleandPolicy@rossendalebc.gov.uk.

Consultation Statement for Supplementary Planning Guidance for Houses in Multiple Occupation (HMOs)

1.0 Introduction

1.1 Rossendale Borough has seen an increase in the number of HMOs in recent years. It is estimated that there were around 110 licensed and unlicensed HMOs across the Borough in November 2025, with clusters in some areas. Whilst HMOs can make a contribution to the private rented sector stock and provide an essential housing tenure for predominately young and single people and those on low incomes, they can have significant adverse social, amenity, environmental and economic impacts. These impacts include a detrimental effect on highways and parking, effects on local residential amenity, problems with waste disposal, increases in local rents, and adverse effects on the housing market.

1.2 In response to concerns raised by local residents and Members, Rossendale Borough Council issued an Immediate Article 4 Direction on 19 September 2025, covering the entire borough for Houses in Multiple Occupation (HMOs). This means that planning permission is required for all HMOs. It affects all properties which are being changed to small HMOs (i.e. with 3 to 6 unrelated individuals who share facilities, such as a kitchen), as they no longer benefit from permitted development rights. Conversion to a large HMO still requires consent. It is anticipated that the Article 4 Direction will be confirmed in March 2026.

1.3 To assist in determining planning applications for HMOs (both small and large), it is considered necessary to issue specific planning guidance in order to manage their quality, spread and location. Therefore, the Draft Supplementary Planning Guidance for Houses in Multiple Occupation was prepared and approved for a 4-week consultation at the Overview and Scrutiny Committee meeting of 10 November 2025 .

2.0 Consultation Process

2.1 The public consultation started on 13 November 2025 and closed on 11 December 2025. Letters were sent by email to consultees held in the Council's Local Plan consultation database (including statutory consultees), and the consultation was publicised with a press release, on social media and on the Local Plan and Consultation pages of the Council's website. Consultees were invited to register for the Local Plan consultation database if they so wished.

2.2 The online proforma contained specific questions related to the criteria of the policy, inviting respondents to agree, disagree, state if they were unsure and to record any specific comments. Comments and responses were also invited in writing and by email.

3.0 Summary of Responses

3.1 A total of 41 responses were submitted: 7 from statutory consultees including Rossendale Borough Council Waste and Recycling services, and 34 from residents, business owners, community service providers and 'others'. Responses were submitted by email (8 responses in total including 2 with comments) and by completing online forms (33 responses) using SmartSurvey. The complete responses are available to view on the Council's website at https://www.rossendale.gov.uk/downloads/file/19337/comments-received-during-the-consultation .

3.2 In summary the email responses included the following:

- Statutory consultees National Highways, Coal Authority, Natural England, Historic England and Lancashire County Council as the Lead Local Flood Authority (LLFA) all had no specific comments.
- Rossendale Borough Council Waste and Recycling suggested criteria based on the number of occupants to ensure that there is not an under or over provision of bins for each waste type.
- Rossendale East PCN and Rossendale West PCN submitted a joint response expressing concerns that the Policy could lead to pressures from additional homes which would negatively impact on General Medical services provided to both existing and any new patients in the area. Both of the Rossendale PCNs would like to explore any opportunities provided by section 106 / CIL funding initiatives.
- An individual expressed concerns that the 50-metre rule (the first criterion of the Policy) is unenforceable when most HMOs are unlicensed and therefore unknown, and that the 250-metre town centre rule (the second criterion) risks worsening congestion, increasing ASB in hotspots, and lacks a clear definition of 'town centre' and therefore enforceability.

3.3 Headline results from the online questionnaire include the following (note - results may not add up to 100% due to rounding):

- 26 representations (79%) agreed that any new HMOs should not be within 50m radius distance of an existing known HMO. 6 (18%) did not support this and 1 (3%) was unsure. There were several suggestions to increase the minimum distance.
- 14 representations (42%) agreed that any new HMOs should be within walking distance (within 250m) of a town centre, 9 (27%) did not agree and 10 (30%) were unsure. There were concerns about how 'town centre' would be defined, that the criterion would limit the availability of sites, that HMOs should not be located close to schools or older people, and that they should be accessible to public transport.
- 28 representations (85%) agreed that there should be sufficient off-street car-parking (unless the property is located in a very sustainable location with excellent access to public transport) and that the development should not increase highway safety concerns, 4 (12%) disagreed and 1 (3%) was unsure. There were comments that gardens should be protected, off street parking should be provided and concerns about how 'excellent access to public transport' would be defined.
- 27 representations (82%) agreed that there should be sufficient space within the curtilage of the property for sufficient secure cycle parking, 1 (3%) disagreed and 5 (15% were unsure). Overall, the comments were supportive.
- 32 representations (97%) agreed there should be sufficient space storage provision for waste and recycling containers in a suitable enclosure area within the curtilage of the property, none disagreed and 1 (3%) was unsure. The comments generally were supportive with suggestions for further detail.

- 31 representations (94%) agreed that the condition of the property must be of a high standard, and contribute positively to the character of the immediate locality with assurances that the condition of the property will be maintained following the change of use to HMO. None disagreed and 2 (6%) were unsure. There were several comments expressing concerns about how this would be assessed.
- 32 representations (97%) agreed that the increase in the number of residents should not have an adverse impact on the level of amenity neighbouring residents, 1 (3%) disagreed and none were unsure. There were comments about subjectivity in applying the criterion and concerns about noise and disturbance.
- 29 representations (88%) agreed that the development should accord with the Council's latest version of Standards for Houses in Multiple Occupation, 3 (9%) disagreed and 1 (3%) was unsure. There were various comments about the Council's Standards and the need for review.
- 27 representations (82%) supported the use of the Supplementary Planning Guidance to inform decisions on planning applications for new HMOs, 2 (6%) disagreed and 4 (12%) were unsure. There were concerns about the social cost / potential for substandard accommodation, the 'types' of residents and children's safety and landlords' profits.

3.4 A more detailed summary of the comments received is outlined in the table below in the first column. The second column explains the Local Planning Authority's response and any actions undertaken.

Key comments received during the public consultation	**Actions the Local Planning Authority is Considering**
(1) The HMO is not within 50m radius distance of an existing known HMO	
The 50-metre rule is unenforceable when most HMOs are unlicensed and therefore unknown.	The Council maintains a register of large HMOs which require a licence, and holds some information about the location of many small HMOs (from Council Tax records etc). Consultations on planning applications will provide an opportunity for information to be submitted about other existing HMOs in the local area.
Need to update licensing process and increase inspections and include for smaller HMOs (3-4 residents).	**Refer all comments relating to licensing and HMO standards to Environmental Health for consideration and possible review/update.** The Council's Standards for HMOs apply to both licensable and non-licensable HMOs but licences are only required by law if the property is occupied by five or more persons, from two or more separate households. The Standards are appended to the SPG and may be amended by Environmental Health if required.
Distance should be increased e.g. to 100m, 200m, 250m or 500m.	The 50m rule was supported by a majority (26 or 79%) of respondents and is considered reasonable.
Concerns about large 'influx' of unknown residents/immigrants and formation of ghettoes. Restricting	Taken together, the criteria in the Policy will help to ensure numbers and locations of HMOs are managed effectively.

Key comments received during the public consultation	Actions the Local Planning Authority is Considering
numbers would be better.	
(2) The development is within walking distance (within 250m) of a town centre	
Risks worsening congestion and increasing concentration of ASB.	By limiting developments to accessible locations occupiers are more likely to walk to access local services and would be less reliant on cars.
Clearer definition of 'town centre' required.	**The Policy criterion should be amended to:** **'**The development is within walking distance (within 250m) of ~~a town centre~~ **<u>the boundary of a Town Centre, or District Centre, or Local Centre or Neighbourhood Parade as identified in Rossendale Local Plan 2019 to 2036 Policy R1: Retail and Other Town Centre Uses and the Local Plan Policies Map.'</u>**
Would limit availability to urban areas.	Occupants would benefit from better accessibility to local services.
Distance should be increased to 400-500m and also within 50m of a bus route. Distance should be reduced to 200m.	250m is widely accepted as a walkable distance to access local shops and services. Longer distances could discourage walking. Refer to Criterion 3 for public transport.
(3) There is sufficient off-street car-parking (unless the property is located in a very sustainable location with excellent access to public transport) and development will not increase highway safety concerns	
Should protect front garden areas. Parking spaces should be behind the dwelling. (Note - This was provided in response to Q4).	**The Explanation Table should refer to the SPD on Alterations and Extensions to Residential Properties which provides some protection for front garden areas:** 'Where it can be expected that occupants are likely to have cars, there should be adequate parking so as not to impact on highway safety, in accordance with the Local Plan's parking standards and comments from the Highway Authority. **<u>Applicants also should have regard to the Alterations and Extensions to Residential Properties SPD which provides guidance for the development of driveways and parking areas within the curtilage of residential properties</u>.'**
Off street parking should be provided. Local Plan parking standards should be applied or minimum 1 space per resident, plus disabled and visitor/staff parking.	Local Plan parking standards are referred to in the Explanation Table.

Key comments received during the public consultation	**Actions the Local Planning Authority is Considering**
Need to define 'excellent access to public transport'.	**The Explanation Table should refer to the Local Plan Accessibility Questionnaire. Add:** '**The sustainability of the location and access to public transport will be assessed in accordance with the Accessibility Questionnaire in Appendix 1 of Rossendale Local Plan 2019 to 2036**.'
Avoid areas with high number of vehicle crashes.	This criterion will be subject to comments from the Highway Authority, who will be consulted on planning applications.
(4) There is sufficient space within the curtilage for the provision of sufficient secure cycle parking	
Should reference Sustrans policies.	The Local Plan promotes cycling as a sustainable form of transport and was subject to public consultation. LCC Highways will be able to comment on planning applications.
Cycle parking should not be in the detriment of car parking spaces.	The Policy requires all criteria to be met and therefore proposals should address both car and cycle parking.
(5) There is sufficient space storage provision for waste and recycling containers in a suitable enclosure area within the curtilage of the property	
Criteria should be based on number of occupants to ensure that there is not an under or over provision of bins for each waste type.	**Further information should be added to the Explanation Table:** '**The Council expects provision to be at a minimum ratio of one household waste bin and associated recycling containers per 5 residents. This may be subject to change in the future following a review of Council Policy**.'
Policy widely supported subject to sufficient provision within curtilage and recycling undertaken.	Noted.
(6) On submission of a planning application, the condition of the property must be of a high standard, and contribute positively to the character of the immediate locality with assurances that the condition of the property will be maintained following the change of use to HMO	
HMOs do not provide suitable accommodation for people today.	HMOs are accepted by the Government as acceptable housing, provided they meet certain standards.
How will properties be checked / maintained? Need to define minimum standards.	There is a reference to the Council's Standards in the Explanation Table and maintenance of these standards is the responsibility of Environmental Health. Some applications will include proposals for renovations and improvements to existing buildings. **The criterion should be amended to:** '~~On submission of a planning application, the~~ **The**

Key comments received during the public consultation	Actions the Local Planning Authority is Considering
	condition of the property ~~must~~ **will** be of a high standard, and **will** contribute positively to the character of the immediate locality with assurances that the condition of the property will be maintained following the change of use to HMO.' Planning applications will be assessed against the criteria in Rossendale Local Plan 2019 to 2036 Strategic Policy ENV1: High Quality Development in the Borough and the National Space Standards.
Should not be used for illegal immigrants.	The Policy cannot be used to discriminate against different groups of people.
External appearance should match existing area.	The planning application process will help to ensure any external alterations are sympathetic to the character of the building and surrounding area.
(7) The increase in the number of residents will not have an adverse impact on the level of amenity neighbouring residents can reasonably expect to enjoy	
Very important but subjective. Quinquennial amenity report should be considered.	Planning permission can only rarely be revoked but Environmental Health have powers in respect of providers. Amenity will be taken into account for future planning applications. Taken together, the criteria in the Policy will help to ensure the numbers of residents in HMOs are managed effectively to protect local residential amenity.
(8) The development accords with the Council's latest version of Standards for Houses in Multiple Occupation	
Standards require reviewing and updating.	**Refer all comments relating to licensing and HMO Standards to Environmental Health for consideration and possible review/update.**
Concerns about HMOs being easy way for some landlords to make money.	The licensing process and SPG will help to manage proposals and protect residents.
What happens when no longer HMOs?	Please refer to the Article 4 Direction. Most proposals would not need planning permission to revert back to residential dwelling houses.
Why is the Council consulting now – is it concern about immigrants?	Concerns have been raised about the recent increase in numbers of HMOs in some areas.
General support for proposed SPG and Other Comments	
Various concerns repeated.	Generally addressed in existing criteria and / or amendments to the Policy – see above.
Reference to adopted Local Plan and other SPGs / SPDs will need updating.	Noted.

Key comments received during the public consultation	Actions the Local Planning Authority is Considering
Concerns about child safety.	Concerns should be referred to Police / Lancashire County Council / other safeguarding services.
Concerns about exploitation of vulnerable residents, including immigrants.	Concerns should be referred to Police / Lancashire County Council / other safeguarding services.
Change wording of policy from "should" to "must".	The Policy criteria apply the terms ‘will’ and ‘is’ to provide certainty.
Rossendale GP Practices are already either at their limit or very close to it in terms of GP patient registrations and on that basis, without the provision of additional funding, object to this proposal.	The GP Practices will be consulted on proposals as part of the planning application process.

4.0 Conclusion

4.1 The Draft Supplementary Planning Guidance for Houses in Multiple Occupation (HMOs) was published for 4 weeks public consultation from 13 November 2025 until 11 December 2025. The intention of the SPG is not to stop all HMOs being created but to ensure that HMOs brought forward are suitable for their occupants, and do not create amenity issues for neighbouring properties and/or upset the balance of local housing markets.

4.2 In total 41 representations were submitted from statutory consultees, individuals, local businesses and organisations, through an online consultation form (SmartSurvey) and by email.

4.3 The representations have been considered by the Forward Planning Team and a number of amendments are proposed to the Policy in response to comments submitted.

Equality Impact Assessment

The council carry out Equality Impact Assessments (EIA) to analyse the effects of our decisions, policies or practices.
Throughout this document, policy refers to any policy, strategy, project, procedure, function, decision or delivery or service.
The EIA should be undertaken/started at the beginning of the policy development process before any decisions are made.
Policies are developed and reviewed using a consultative approach involving relevant internal and external stakeholders. Officers must consider what action needs to be taken to help overcome or minimise any disadvantages that people who share a protected characteristic will experience in compliance with the Equality Act 2010.

Name of policy:	Supplementary Planning Guidance for Houses in Multiple Occupation (HMOs)
Lead officer name	Anne Storah
Job title	Principal Planning Officer (Forward Planning)
Service area	Planning
Telephone contact	01706 252418
Email contact	annestorah@rossendalebc.gov.uk
Date Assessment commenced	15/07/25
Date assessment completed	08/01/2026

The main aims/objectives of this policy are:
Given the increase in the number of Houses in Multiple Occupation (HMOs) that have been seen in Rossendale since the last Census in 2021, and concerns raised by residents, an Immediate Article 4 Direction was introduced on 19 September 2025. This means that permitted development rights have been removed for small HMOs and so anyone wanting to convert a house into a small HMO (for between 3 and 6 separate households/individuals who share facilities) as of that date now needs to apply for planning permission. Large HMOs for 7 or more occupants will still need planning permission. The Council wants to introduce specific planning policy to determine how planning applications for HMOs are determined. Of particular concern is the need to ensure that the new accommodation provides suitable accommodation for the occupants, as well as ensuring that HMOs do not cluster in certain locations. Clustering can have detrimental impacts on the local amenity and character, affecting the delivery of wider housing objectives. These impacts were discussed in earlier research and include[1]: • anti-social behaviour, crime, noise and nuisance • imbalanced and unsustainable communities

[1] Houses in multiple occupation & planning restrictions (2017)

- negative impacts on the physical environment and streetscape
- pressures upon parking provision
- growth in private rented sector at the expenses of owner-occupation
- pressure upon local community facilities and
- restructuring of retail, commercial services and recreational facilities to suit the lifestyles of the predominant population

Although the report is a little dated, it is considered that these problems can still exist and in particular can be more severe if HMOs are formed in smaller dwellings as appears to be the recent trend in Rossendale.

It is recognised that HMOs make an important contribution to the private rented sector by catering for the housing needs of specific groups/households and by making a contribution to the overall provision of affordable or private rented stock. However, this needs to be balanced with the potential harm identified above. The best way of balancing the need against possible harm and to ensure that suitable accommodation will be provided would be through determination of a planning application. In order to support this, and address the concerns that HMOs may pose, the Council wants to issue specific planning guidance.

Indicate the status of the policy or decision
New/proposed ☒ Modified/adapted ☐ Existing ☐

Indicate protected characteristics have been assessed

Age	☒	Disability	☒	Gender reassignment	☒
Religion/belief	☒	Sexual orientation	☒	Sex	☒
Pregnancy/maternity	☒	Race	☒	Marriage or civil partnership	☒

1. State any positive or negative impact on the protected characteristic(s) (added additional rows if needed)

Protected characteristic	Positive/Negative	How does it impact?
Age	Neutral	The impacts of the policy will apply equally across all groups
Disability	Neutral	The impacts of the policy will apply equally across all groups
Religion/belief	Neutral	The impacts of the policy will apply equally across all groups
Race	Neutral	The impacts of the policy will apply equally across all groups
Pregnancy/maternity	Neutral	The impacts of the policy will apply equally across all groups

Sexual orientation	Neutral	The impacts of the policy will apply equally across all groups
Gender reassignment	Neutral	The impacts of the policy will apply equally across all groups
Sex	Neutral	The impacts of the policy will apply equally across all groups
Marriage or civil partnership	Neutral	The impacts of the policy will apply equally across all groups

2. Explain and give examples of any evidence/data used (add additional rows if needed)

Evidence	**How does this have an impact on the protected characteristic?**
	HMOs have historically provided student occupation in towns with Higher Education provision. However, they now provide accommodation for more groups, for people who want the flexibility that this accommodation provides or are unable to afford, or are saving for, accommodation with private facilities.

3. Outcome of EIA

What course of action does this EIA suggest you take?	**Please indicate**
Outcome 1- The EIA has not identified any potential for negative impact on the protected characteristics. Progress to **EIA approval – section 5**	☒
Outcome 2- The EIA has identified a possibility for negative impact on the protected characteristics. **An EIA Action Plan must be completed to mitigate the negative impact – section 4 before approval section 5**	☐

4. EIA action plan

Based on the above impact assessment, findings/evidence and outcomes identified, please complete the Action Plan below. The action plan should address:

- Any gaps in findings/evidence research including any consultation or engagement regarding the policy and its actual/potential impacts
- How you will address any gaps
- What practical changes/action that will help reduce any negative impacts identified
- What practical changes/action that will help enhance any positive contributions to equality

Negative impact identified	**Action required**	**Lead officer**	**To be completed**
N/A			

Monitoring and reviewing the effect of the policy Please state how you will monitor the impact and effect of this policy
The SPG will be monitored for effectiveness as part of the annual Authority Monitoring Report (AMR), this will cover how many HMOs have been determined and the outcome. The need for a review of the policy will be determined as part of the AMR process and the Local Plan review.

5. EIA approval (to be completed by the relevant Head of Service/Director)

- Outcome of EIA agreed/approved by Management Team: (date)
- Published on council website: (date)

Signed: David Smurthwaite (Head of Service/Director) (date)

ROSSENDALE BOROUGH COUNCIL

BIODIVERSITY IMPACT ASSESSMENT

Name of Policy, Decision, Strategy, Service or Function, Other: (please indicate)	Supplementary Planning Guidance (SPG) for Houses in Multiple Occupation	
Lead Officer Name(s) & Job Title(s) :	Anne Storah – Principal Planning Officer	
Department/Service Area:	Planning	
Telephone & E-mail Contact:	01706 252418	
Date Assessment:	**Commenced:** 15/07/2025	**Completed:** 08/01/2026

The Council has a duty to protect and enhance biodiversity under the Environment Act 2021. This assessment must be completed for all key decisions included in the Forward Plan to analyse the effects of our decisions, policies or practices.

<u>Stage 1</u> This stage determines whether a full assessment is required

1.1 Description of the proposed decision

Given the increase in the number of Houses in Multiple Occupation (HMOs) that have been seen in Rossendale since the last Census in 2021, and concerns raised by residents, an Immediate Article 4 Direction was introduced on 19 September 2025. This means that permitted development rights have been removed for small HMOs and so anyone wanting to convert a house into a small HMO (for between 3 and 6 separate households/individuals who share facilities) as of that date now needs to apply for planning permission. Large HMOs for 7 or more occupants will still need planning permission.

The Council wants to introduce specific planning policy to determine how planning applications for HMOs are determined. Of particular concern is the need to ensure that the new accommodation provides suitable accommodation for the occupants, as well as ensuring that HMOs do not cluster in certain locations. Clustering can have detrimental impacts on the local amenity and character, affecting the delivery of wider housing objectives.

The policy itself will not have any implications as it will be a material consideration in the determination of planning applications relating to housing.

1.2 Will the proposed decision have any impacts on the type, area (or length) or conditions of natural habitats within the Borough?

Yes ☐ No ☒

ROSSENDALE BOROUGH COUNCIL

If no, proceed no further if yes continue to stage 2

Stage 2 This stage helps understand whether any impact on biodiversity is positive or negative.

2.1 Will the proposed decision have a positive or negative impact on biodiversity? (A positive impact would increase the range of species or habitats or increase the protection of existing habitats, a negative impact would do the opposite.)

☐ Positive ☐ Negative

2.2 **Describe the impact, in particular drawing attention to scale. Also please state if the impact will affect a Habitat or Species of Principal Importance, Irreplaceable Habitat (it is possible to check for those on PlanWeb or Magic map) or it the project will affect a habitat or specie identified on Lancashire's Biodiversity Action Plans (please visit https://www.lbap.org.uk/home.htm for more information).**

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2.3 If the impact is positive you need go no further.

Stage 3 This stage allows any negative impact to be balanced against the other positive benefits of the proposed decision using the framework created by the wellbeing power set out in the Local Government Act 2000

3.1 **Indicate the benefits which will be delivered by this decision under the following headings. As far as possible quantify benefits (eg by jobs created).**

Economic
Environmental
Social

3.2 Are there steps which are planned or could be taken to mitigate the impact on biodiversity (eg relocating certain species during building work, improving a natural habitat somewhere else to offset the impact of this project).

Stage 4 This stage sets out the balance between the negative impacts on biodiversity and the other positive impacts so that Councillors can make an informed decision.

Positive impacts (eg X jobs created)	**Negative Impacts** (eg acres of habitat lost)

Biodiversity Impact Assessment
(under the Biodiversity duty contained in the Natural
Environment and Rural Communities Act 2006 (as amended) and the Environment Act 2021)

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Updated from original BIA Template in April 2024

ROSSENDALE BOROUGH COUNCIL

AGENDA ITEM: D3

Report Title:	Improvements to Whitaker Park Toddler Play facilities		
Report to:	Cabinet	**Date:**	11th February 2026
Report of:	Head of Environmental Services	**Cabinet Portfolio:**	Environment and Corporate Services
Cabinet Lead Member:	Councillor Lythgoe	**Wards Affected:**	Longholme
Key Decision:	☒	Forward Plan ☒	General Exception ☐ Special Urgency ☐
Integrated Impact Assessment:	Required: No	Attached: No	
Contact Officer:	David McChesney	**Telephone:**	01706 252584
Email:	davidmcchesney@rossendalebc.gov.uk		

Valley Plan Priorities	**Thriving Local Economy:** This involves securing new inward investment, creating a sustainable economy, matching local skills with future job opportunities, and supporting town centres as unique destinations.	☐
	High Quality Environment: This includes having a "clean and green" local environment, reducing the borough's carbon footprint, improving waste and recycling rates, and delivering new homes with a good mix of housing tenures.	☒
	Healthy & Proud Communities: This priority focuses on improving the health and physical/mental wellbeing of residents, reducing health inequalities, ensuring access to better leisure facilities and health services, and fostering a sense of pride in the community.	☒
	Effective & Efficient Council: The aim is to provide good quality and responsive services, embrace new technology, be a financially sustainable council with a commercial outlook, and ensure sound governance.	☐

1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

1.1 The Green Spaces Team have a budget of £143,000 allocated to improving the existing play facility at Whittaker Park and aimed at children ages 2-8 years. The budget is made up from RBC capital and will be spent on replacing the current equipment and surfacing to bring the play area in line with the new Junior Area. The report requests authority to be delegated to the Head of Environmental Services to tender the project and to appoint the successful contractor at the end of this process.

2. RECOMMENDATIONS

2.1 That Cabinet approves the expenditure of £143,000 on the new play area at Whitaker Park, Rawtenstall and authorises officers to tender for the works in compliance with the Council's Constitution.

2.2 That Cabinet delegates authority to the Head of Environmental Services in consultation with the Lead Member to accept the most advantageous tender.

3. BACKGROUND AND REASON FOR THE DECISION

3.1 Following the installation of the new Junior Play Area at Whitaker Park, refurbishment of the existing toddler facility is a priority from the Whitaker Park Masterplan.

3.2 A budget of £143,000 has been set for the project and is made up entirely of RBC capital funding.

3.3 A tender has been prepared with a brief to allow play companies to base a design upon utilising the available budget, as was the approach with the junior play area.

3.4 The tender will be published in February with a target of the work being completed by the school summer by the selected contractor.

3.5 A refurbished play area will further improve one of the Borough's main parks and increase its reputation as a destination site, whilst reducing the increasing maintenance costs associated with its current form.

4. RISK

4.1 Failure to invest in the site will risk deterioration leading to increased maintenance liability and health and safety issues.

4.2 Extensive consultation has taken place with local residents who have voiced their desire for the area to be improved. To ignore this would negatively affect the Council's reputation.

5. SECTION 151 OFFICER COMMENTS (FINANCE)

5.1 There is an existing budget available of £143k for this project. A full tender will be carried out to ensure best value is achieved.

6. MONITORING OFFICER COMMENTS (LEGAL)

6.1 As the expenditure is over £100k, authority of the Corporate Management Team and Cabinet is required prior to going out to tender.

6.2 The tender will be in full compliance with the Council's Constitution and Procurement Act 2023.

7. INTEGRATED IMPACT ASSESSMENT IMPLICATIONS

7.1 As this is a contract for works there are no equality implications.

7.2 The design brief has specified that there must be inclusive and accessible features incorporated.

8. POLICY/STRATEGY FRAMEWORK IMPLICATIONS

8.1 The improvements to the toddler play facilities are a high priority from the Whitaker Park Masterplan.

9. LOCAL GOVERNMENT REORGANISATION IMPLICATIONS

9.1 The improvements will contribute towards the legacy of Rossendale Borough Council as being committed to providing first class facilities for residents.

10. BACKGROUND PAPERS

10.1 There are no background papers.

ROSSENDALE BOROUGH COUNCIL

AGENDA ITEM: D4

Report Title:	Acceptance of the Local Plan Implementation Fund (New System Plan Fund)		
Report to:	Cabinet	**Date:**	11th February 2026
Report of:	Head of Planning	**Cabinet Portfolio:**	Planning
Cabinet Lead Member:	Cllr Alyson Barnes	**Wards Affected:**	All
Key Decision: ☒	Forward Plan ☒	General Exception ☒	Special Urgency ☐
Integrated Impact Assessment:	Required: **No**	Attached: **No**	
Contact Officer:	Anne Storah	**Telephone:**	01706 252418
Email:	annestorah@rossendalebc.gov.uk		

Valley Plan Priorities	**Thriving Local Economy:** This involves securing new inward investment, creating a sustainable economy, matching local skills with future job opportunities, and supporting town centres as unique destinations.	☐
	High Quality Environment: This includes having a "clean and green" local environment, reducing the borough's carbon footprint, improving waste and recycling rates, and delivering new homes with a good mix of housing tenures.	☐
	Healthy & Proud Communities: This priority focuses on improving the health and physical/mental wellbeing of residents, reducing health inequalities, ensuring access to better leisure facilities and health services, and fostering a sense of pride in the community.	☐
	Effective & Efficient Council: The aim is to provide good quality and responsive services, embrace new technology, be a financially sustainable council with a commercial outlook, and ensure sound governance.	☒

1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

1.1 MHCLG invited local authorities who are keen to commence plan-making early in the new plan-making system to submit Expressions of Interest to share in £14 million funding.

1.2 A bid was submitted on 28 January 2026 and the Council will be notified if it has successfully secured approximately £120,000 funding by 6 March 2026, payment expected by 13 March.

1.3 Cabinet approval is needed in order to accept this funding the conditions of which are set out in the report.

2. RECOMMENDATION

2.1 If the bid is successful, authority to the Director of Economic Development and the Monitoring Officer in consultation with the Lead members for Planning and Resources to accept the funding under the Local Plan Implementation / New System Plan Fund and to enter into any necessary funding agreements.

3. BACKGROUND AND REASON FOR THE DECISION

3.1 On 15 January 2026 MHCLG announced funding for local authorities committed to bringing a plan forward early in the new plan-making system. Expressions of Interest were required by 28 January and authorities will be notified if they have been successful by 6 March, with payments due by 13 March 2026.

3.2 MHCLG expect funding to be divided equally across eligible local authorities with an anticipated award of around £120,000 each. However, subject to the number of applicants, the funding awarded could be more or less than this amount. The funding will be provided via section 31 Local Government Act powers.

3.3 Local authorities are eligible for this funding if they:

- will be preparing a plan in the new plan-making system,
- commit to publishing their notice of intention to commence local plan preparation by 30 June 2026,
- commit to publishing their Gateway 1 self-assessment by 31 October 2026.
- commit to have proposals in place to spend the funding by 31 March 2026
- agree to collaborate with MHCLG over monitoring and evaluation requirements
- receive the support of the s151 / deputy s151 for the Expression of Interest

3.4 Rossendale has an adopted Local Plan in place, and so it is not legally required to start plan-making under the new system until six months later – before 31 December 2026, with Gateway 1 due before 30 April 2027.

3.5 Planning officers attended a webinar with MHCLG, organised by the Planning Advisory Service, on 22 January. This confirmed that the government's key ambition is to have universal plan coverage in place and to support financially those authorities who start early and will work at pace.

3.6 It is necessary to seek Cabinet approval as it is expected that, if successful, the Council could be awarded circa £120,000 in funding to help with preparing the next Local Plan, which will need to be prepared under the new system. There are conditions relating to eligibility, which are set out in paragraphs 3.3 and most importantly include accelerating the preparation of the Local Plan by six months.

4. RISK

4.1 MHCLG have indicated that s31 funding is not normally clawed back, though spending will be monitored and there is a commitment to meet the dates discussed in para 3.3. The Council's budget for 2026/27 has already identified a commitment towards reviewing the Local Plan.

4.2 The timescales will be tight and will require the Forward Planning team to work at pace, prioritising the Local Plan review, in order to meet especially publication of the Gateway 1 self-assessment.

4.3 As well as internal risks within the Council, it should also be noted that there is still wider uncertainty. Regulations for preparing new local plans have still not been published by MHCLG. Additionally, the Government will be consulting until March on updating the National Planning Policy Framework as well as Design and Placemaking Planning Practice Guidance. Both documents will inform the new Local Plan and may result in abortive work should the policies change in the light of the consultation comments.

5. SECTION 151 OFFICER COMMENTS (FINANCE)

5.1 There are no further financial implications.

6. MONITORING OFFICER COMMENTS (LEGAL)

6.1 Under the Council's constitution Cabinet is required to accept external grant funding for sums between £100,00 and £250,000. All necessary grant funding agreements will be entered into following necessary due diligence.

7. INTEGRATED IMPACT ASSESSMENT IMPLICATIONS

7.1 This decision relates to funding to prepare a new Local Plan and therefore an IIA will not be necessary.

8. POLICY/STRATEGY FRAMEWORK IMPLICATIONS

8.1 Preparing a Local Plan is a statutory function of the Council. The current Local Plan was adopted in December 2021. Under the current (legacy) system, there is a requirement to monitor the Local Plan within five years of its adoption and to start a review if appropriate. Under the new system, the Government is making it clear that the regulations will require that local planning authorities publish their Notice to Commence Plan-Making within 4 years and 8 months of adopting their existing local plan, or by 31 December 2026, whichever is the latest. They must then begin preparation of a new local plan (publish their gateway 1 self-assessment form) within 5 years of adopting their existing local plan, or by 30 April 2027, whichever is the later.

9. LOCAL GOVERNMENT REORGANISATION IMPLICATIONS

9.1 The Government is committed to universal plan coverage as soon as possible. Rossendale's Local Plan will need to be reviewed in December 2026, as it will then be five years since it was adopted. The Government accepts that currently the position with regard to plan-making is complicated and messy but expects it will settle down in time. Until then, it expects local authorities, and presumably Local Plan Inspectors, to be pragmatic in using the new system to prepare and examine Local Plans.

9.2 There is still uncertainty with regard to the make-up of the new unitary authorities that will be established in 2028. Any new authority could be given powers to sign off a new Rossendale Local Plan. Alternatively, should it be agreed to prepare a joint local plan, the work undertaken could help inform this. The Combined Authority will be tasked to prepare a Spatial Development Strategy (SDS), a strategic plan that will sit above the Local Plan.

10. BACKGROUND PAPERS

New System Plan Funding (January 2026)	https://www.gov.uk/guidance/new-system-plan-funding
Plan-making regulations explainer (November 2025)	https://www.gov.uk/government/publications/plan-making-regulations-explainer/plan-making-regulations-explainer#preparationformand-content-of-local-plans
Design and Placemaking Planning Practice Guidance (January 2026)	https://www.gov.uk/government/consultations/design-and-placemaking-planning-practice-guidance
National Planning Policy Framework: proposed reforms and other changes to the planning system (December 2025)	https://www.gov.uk/government/consultations/national-planning-policy-framework-proposed-reforms-and-other-changes-to-the-planning-system

ROSSENDALE BOROUGH COUNCIL

AGENDA ITEM: D5

Report Title:	The acceptance and deployment of the Holiday Activities and Food Programme (HAF) funding						
Report to:	Cabinet			**Date:**	11th February 2026		
Report of:	Director of Resources			**Cabinet Portfolio:**	Resources		
Cabinet Lead Member:	Councillor Walmsley			**Wards Affected:**	All		
Key Decision:	☒	Forward Plan ☒		General Exception ☒		Special Urgency ☐	
Integrated Impact Assessment:		Required:		No	Attached:		No
Contact Officer:	Chris Warren			**Telephone:**			
Email:	chriswarren@rossendalebc.gov.uk						

Valley Plan Priorities	**Thriving Local Economy:** This involves securing new inward investment, creating a sustainable economy, matching local skills with future job opportunities, and supporting town centres as unique destinations.	
	High Quality Environment: This includes having a "clean and green" local environment, reducing the borough's carbon footprint, improving waste and recycling rates, and delivering new homes with a good mix of housing tenures.	
	Healthy & Proud Communities: This priority focuses on improving the health and physical/mental wellbeing of residents, reducing health inequalities, ensuring access to better leisure facilities and health services, and fostering a sense of pride in the community.	☒
	Effective & Efficient Council: The aim is to provide good quality and responsive services, embrace new technology, be a financially sustainable council with a commercial outlook, and ensure sound governance.	

1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

1.1 This report is intended to inform the decision to accept and deploy the Holiday Activities and Food Programme funding, expected to be in the region of £230,000 which provides support to children in receipt of free school meals through holiday periods.

2. RECOMMENDATIONS

That Cabinet:

2.1 **Accepts the grant of c.£230,000 for the Holiday Activities and Food (HAF) Programme 2026/27.**

2.2 **Approves the Director of Resources in Consultation with the Lead member for Resources to commission Rossendale Leisure Trust under existing arrangements to enable them to support the children in the borough who are in receipt of free school meals.**

3. BACKGROUND AND REASON FOR THE DECISION

3.1 Since 2018, the Holiday Activities and Food Programme (HAF) has provided support to children in receipt of free school meals through holiday periods. Following successful pilots, the programme was rolled out to all upper tier local authorities from 2021 and has been awarded on an annual basis ever since but with no long-term commitment. The Government have now confirmed there will be another year of HAF funding for 2026-27.

3.2 The programme has been delivered on behalf of Rossendale Borough Council by Rossendale Leisure Trust (RLT) since the programme roll. RLT have employed a part time coordinator to plan and deliver the programme. The coordinator has built up a comprehensive list of local delivery organisations that provide a wide range of activities across the borough, and has established an excellent relationship with local VCFS groups that are able to provide the meals for the programme.

3.3 The HAF programme in Rossendale is steered by a local steering group, of which RBC is a member. Funding for the programme is routed to Lancashire County Council (LCC) from the Department for Education and is devolved to district councils for delivery either directly or through third party organisations. Most districts commission their leisure trusts to deliver the programme.

3.4 As Easter in 2026 is in early April, delivery partners have been asked to submit their Easter programme to LCC by 16th February 2026. However, LCC have not yet been notified of the exact funding available, we are expecting this to be a similar sum to last year in the region of £230,000

3.5 RLT are currently developing an Easter holiday activity programme at risk on our behalf, it is not appropriate or practicable to go out to tender given the timing of this funding stream allied with the fact that the trust has successfully built up the local networks needed to deliver a successful programme, and a new organisation would not have the time to develop new networks and working arrangement with local venues, delivery agents and VCFS groups in time to deliver a successful programme.

4. RISK

4.1 While there has been communication that HAF funding will be deployed, should the level not be as in previous years there is a risk that there may be a shortfall in delivering all that the Council would wish and has delivered over prior years. Should this be the case the Council has the ability to utilise funding from the Crisis and Resilience Fund to mitigate and shortfall.

4.2 If the council fails to secure a delivery partner there is a risk that the programme will not be delivered as required and disadvantaged children will miss out on meals and activities. We have engaged with RLT early to minimise this risk

4.3 The single year announcement of funding makes meaningful tender processes challenging especially with an incumbent provider who has developed knowledge and contacts in the programme delivery. Should multi-year funding not be forthcoming there is a risk that appropriate value for money assessments by way of tendering are undeliverable. The Council has to accept this risk as it stands to ensure that disadvantaged children are able to benefit from meals and activities in holiday periods.

4.4 The Council relies on an individual coordinator, employed via RLT, should this individual be unavailable then then the delivery of the Easter programme will not take place and the summer programme may be a reduced programme. This could lead to reputational damage to the Council. To mitigate this risk the Council has engaged with trust as soon as it was made aware that the funding stream was available to support it.

5. SECTION 151 OFFICER COMMENTS (FINANCE)

5.1 All financial considerations are included within the body of the report.

6. MONITORING OFFICER COMMENTS (LEGAL)

6.1 Due to the value of the funding, Cabinet is required to approve acceptance with delegations to officers to sign all relevant funding agreements in line with the Council's Constitution.

6.2 There are no other legal implications arsing directly from this report but further reports will be presented as and when required to seek the necessary authorisations.

7. INTEGRATED IMPACT ASSESSMENT IMPLICATIONS

7.1 The proposal to extend the Holiday and Activity Fund Programme is strongly aligned with the Council's adopted Valley Plan priorities, particularly in supporting disadvantaged children, thereby improving resident wellbeing, and helping to deliver the healthy and proud communities priority.

8. POLICY/STRATEGY FRAMEWORK IMPLICATIONS

8.1 None.

9. LOCAL GOVERNMENT REORGANISATION IMPLICATIONS

9.1 None.

10. BACKGROUND PAPERS

10.1 None.

ROSSENDALE BOROUGH COUNCIL

AGENDA ITEM: E1

Report Title:	2026/27 Council Budget and Medium-Term Financial Strategy		
Report to:	Cabinet	**Date:**	11th February 2026
Report of:	Director of Resources	**Cabinet Portfolio**	Resources
Cabinet Lead Member	Councillor Walmsley	**Wards Affected**	All
Key Decision: ☒	Forward Plan ☒	General Exception ☐	Special Urgency ☐
Integrated Impact Assessment:	Required: No	Attached: No	
Contact Officer:	Chris Warren	**Telephone:**	01706 252409
Email:	chriswarren@rossendalebc.goc.uk		

Valley Plan Priorities	**Thriving Local Economy:** This involves securing new inward investment, creating a sustainable economy, matching local skills with future job opportunities, and supporting town centres as unique destinations.	☐
	High Quality Environment: This includes having a "clean and green" local environment, reducing the borough's carbon footprint, improving waste and recycling rates, and delivering new homes with a good mix of housing tenures.	☐
	Healthy & Proud Communities: This priority focuses on improving the health and physical/mental wellbeing of residents, reducing health inequalities, ensuring access to better leisure facilities and health services, and fostering a sense of pride in the community.	☐
	Effective & Efficient Council: The aim is to provide good quality and responsive services, embrace new technology, be a financially sustainable council with a commercial outlook, and ensure sound governance.	☒

1. PURPOSE OF THE REPORT & EXECUTIVE SUMMARY

1.1 The purpose of this report is to inform Cabinet of the proposed revenue budget and level of Council Tax for 2026/27, together with implications for the Council's Medium Term Financial Strategy (MTFS).

1.2 The financial position for the council, like all local authorities, is challenging and subject to a level of risk regarding the current economic position. The council is proposing to set a revenue budget for 2026/27 of £14.851m.

1.3 There are a number of significant risks outside the council's control which remain a major concern including the current economic environment and the uncertainty of future Government funding levels and any impacts of Local Government reorganisation. Members will be kept updated on latest financial projections, local government finance announcements and risks as they transpire.

1.4 The Council carefully considers and monitors the MTFS and the risks as set out in this report and in the Corporate Risk Register. The Council has a risk management strategy in place to identify and evaluate risks. Risks are identified, potential impacts are highlighted and controls and mitigations are set in place. The Council monitors and reports to Cabinet Members and Audit and Accounts Committee during the year.

1.5 The Council currently holds a number of earmarked reserves, these are funds set aside for funding future liabilities, however they are being used to fund the shortfall between how much the Council spends and how much funding the Council receives. Based on the estimates detailed in section 5 above, these are sufficient for the duration of this forecast.

1.6 Whilst the Council is currently developing several income generating regeneration schemes, which will support the budget in the longer term. It must remain focused on identifying and delivering further savings and income in order to ensure annual balanced budgets over the immediate and medium term. It must also ensure that all its budget resource allocations are directed to the core functions of the council and that the use of its resources drives the delivery of the council's Corporate plan priorities.

2. RECOMMENDATIONS

Cabinet recommend that Council approves:

2.1. A revenue budget for 2026/27 of £14.8m, as detailed in this report.

2.2. A Council Tax increase of 2.99%, increasing the Council Tax rate for a Band D property from £317.66 to £327.16, an increase of £9.50pa.

2.3. Use of £1,261k from the reserves to support the 2026/27 revenue budget, acknowledging that this requirement is forecast to reduce in future years.

2.4. The proposed fees and charges as attached in Appendix 1.

3. BACKGROUND AND REASON FOR THE DECISION

3.1 The budget process is a key element of the council's strategic planning process. It is part of the service and financial planning approach adopted by the Council, is a means of ensuring that resources are best placed to enable the council to deliver its corporate priorities expressed in the corporate plan.

3.2 In this year's budget preparation, the finance team have followed on from the previous year and sought to continue to align the Council's expenditure budget in collaboration with its budget holders to match the areas of expenditure which align with statutory responsibility and with the strategic aims of the Council.

3.3 Previous budget reports have set out the level of uncertainty associated with any forward projections with government funding based on one year settlements. This uncertainty has reduced given the three year funding settlement for 2026/27 to 2028/29. Fair Funding 2.0 has reduced the number of funding streams allowing more flexibility for councils to spend in the areas of each councils individual needs.

3.4 The government set out its aims in its 2026/27 Finance Policy Statement to empower local authorities to drive economic growth and improve public services through devolution and targeted funding. This effort relies on economic growth, which is seen as crucial for improving public services.

Key points include:

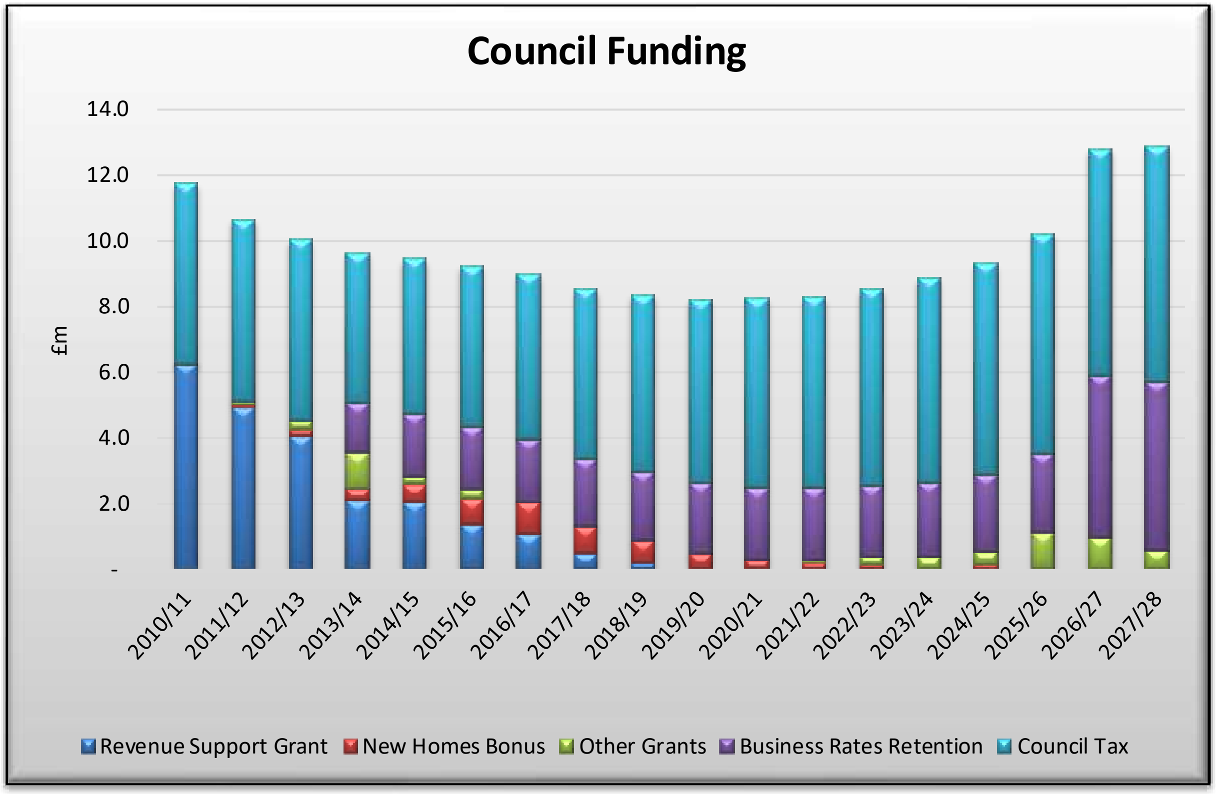
- Devolution: Giving local leaders the tools to drive growth through combined authorities, tailored to local needs.
- Collaboration: Involving local leaders in policy-making through councils and the upcoming English Devolution White Paper.
- Simplification: Moving towards simpler, more accountable local government structures, such as unitary councils, to improve efficiency and service delivery.

3.5 A decision has been made in 2026/27 at the time of writing, to produce a two year MTFS due to local government reorganisation. Rossendale Borough Council will cease to exist in its current form by the end of March 2028.

3.6 Following on from 2025/26, the Extended Producer Responsibility fund, has continued for a second year and the Council will receive £730k for 2026/27. The long-term future of this funding is at present unclear. For the purpose of the MTFS, it has been assumed that the funding will approximately halve in 2027/28 as businesses amend their behavior on recycling.

3.7 For a number of years the Council reduced its net revenue expenditure in line with its own efficiency agenda, and the Government's changes to local government financing over both recent years and the changes proposed for the future. This has resulted in all borough councils now being heavily reliant on the income they generate from their own locality, be it from residents, visitors, property, and/or businesses. The graph below demonstrates how government funding for Rossendale has changed over the period 2010/11 to 2026/27, with the traditional Revenue Support Grant ceasing in 2018/19. It is worth noting that the income level in 2010/11 when adjusted for inflation would have a worth today of over £19m, therefore despite the apparent and welcome significant increase to income in 2026/27, the council continues to be in a financially worse position than a decade ago.

Table 1



4. 2026/27 Provisional Finance Settlement

4.1 The provisional Settlement Funding Assessment for 2026/27 was announced on 19th December 2025. The key message is a major redistribution of funding using new evidence based formula and provides the first multi-year settlement in a decade. The main principles are as follows:

a. Up to 2.99% maximum annual increase for Council Tax without triggering a local referendum. It needs to be noted that the Governments 'Core Spending Power' calculations assume all council's increase their Council Tax by the maximum allowed.
b. The Business Rates retention system is being reset, with accrued growth redistributed based on need. To incentivise house building, councils will be able to keep all additional council tax from new homes and the New Homes Bonus will end.
c. The Extended Producer Responsibility payments will continue in 2026/27. No information has been provided regarding future years payments, for the purpose of this MTFS it has been assumed that the payment will halve in 2027/28.
d. The Fair Funding Settlement is a much simplified system, and all additional funding grants have been rolled into one going forwards. For example new burdens monies now form part of the overall settlement.

4.2 The Government announcement indicates that Local Government Core Spending Power will rise by an average 6.0%-6.8% in 2026/27 across the whole of local government, adjusted for inflation this results in an average increase of 4.3% and varied significantly according to the authority's deprivation level. Rossendale will see an increase in Core Spending Power of 4.1%. This is before the impact of the Extended Producer Responsibility Funding. Whilst the additional funding is welcomed, following years of austerity and with the 2025/26 pay award average increase being 3.2%, and indications that 2026/27 could be above inflation, this still leaves this Council with a significant, although decreasing, funding gap.

5. The Medium Term Financial Strategy

5.1 Taking into account the impact of the finance settlement, including an annual increase in Council Tax of 2.99% per annum, the 2026/27 net budget estimates, resources and future forecasts are as follows:

Table 2

	2026/27 Current budget	
	2026-27	**2027-28**
	£000	**£000**
Draft Budget 26-7 with Inflation Pensions Agreed structure	14,530	14,550
Additional in year pressures WTS	250	(420)
Savings Proposals	(179)	(84)
Revised Budget Estimates	**14,601**	**14,046**
Estimated Funding:		
Council Tax (+2.99%)	6,985	7,262
Settlement Funding Assessment	4,931	5,080
Homelessness/Rough Sleeping	397	457
EPR	730	325
Recovery Grant	297	297
Resources	**13,340**	**13,421**
Call on Reserves	**(1,261)**	**(625)**
Available Reserves		
Brought Forward	*6,948*	*5,687*
Less to/(-)from reserves in year	*(1,261)*	*(625)*
Carried Forward	***5,687***	***5,062***

5.2 Changes in the base budget costs between 2025/26 and 2026/27 are as follows:

Table 3

2026/27 Major Forecast Changes	£000
1. Communities	148
2. Domestic Food Waste	550
3. Homelessness and Housing	575
4. IT Licensing	156
5. Local Government Reorganisation	313
6. Operations	1,125
7. Economic Regeneration	221
8. Identified Individual Departmental Pressures	229
Total	**3,317**

1. This will allow improvements to Anti-Poverty services and drive to increase participation in sport and activity.
2. Driven by the annual cost of implementing Domestic food waste collections as it will become a statutory duty from 1 April 2026.
3. In response to the Renters Rights Act 2025 which will come into force in May 2026, resource to assist with both Homelessness prevention and Landlord enforcement.
4. Software licence costs are significant and have contractual CPI increases applied annually.
5. Provision to contribute towards the Local Government Reorganisation Transformation costs.
6. a) Remedial work to the cemeteries
   b) Additional waste disposal cost in the termination of access to Whinney Hill.
   c) Additional resource to identify and deal with the risk of diseased trees.
   d) Investment in to parks and open spaces team to improve quality.
7. Given significant development works ongoing a small expansion to the size of the team and an investment into markets in the Borough.
8. Immaterial increases within services.

5.3 The savings proposals for 2026/27 onwards are set out below:

Table 4

Budget Proposals	2026-27 £000	2027-28 £000
Income & Efficiencies		
Commercial rent from property	(35)	(20)
Markets	(20)	(10)
Allotments	(4)	(4)
Depots	(20)	-
Staffing		
Various Staffing Savings	(100)	(50)
	(179)	(84)

Description

- Review space and increase lets in Futures Park Business Centre and other council owned properties
- Savings whilst Bacup Market closed and increased income after markets refurbished
- Review usage of all allotment sites and ensure income optimization
- Review usage of depots

5.4 Based on the above, the draft budget book for 2026/27 is included at Appendix 2. Key assumptions are:

- Budget estimates:
  - Average pay award in 2025/26 is 3.2% (in line with the final pay award), budgeted 3% for 2026/27 and then 2% thereafter
  - Employers Pension Contribution – 9.1%, a significant reduction from the 14.6% that has been in place in the last review period. This is following the latest pension scheme valuation at which the scheme is showing a significant surplus.
  - Increased employer National Insurance contributions as dictated by the 2024 Autumn budget statement are no longer being 50% funded from Government as was the case in 2025/26
  - Council Tax increase – assumes 2.99% pa, this is the maximum the Council Tax Principles will allow for 2026/27.
  - NNDR baseline – the current assumption is as per the information provided by Third Party experts, LG Futures.

- Council tax to increase by 2.99% (2.99% in February 2025) with growth in the tax base included throughout the term of the MTFS.

- The Government's provisional settlement (December 2025) confirmed the NNDR baseline funding.

- NNDR:
  - The NNDR pool for Lancashire has now ceased.

6. Impact on Reserves

6.1 As shown in table 2 the forecast relies on the use of reserves to balance the budget throughout its lifespan. This is not a sustainable option and work is ongoing to generate additional income and savings. Table 2 also demonstrates the level of additional income/savings required to maintain the Council's minimum level of reserves.

6.2 Sections 32 and 43 of the Local Government Finance Act 1992 requires local authorities to consider the establishment and maintenance of reserves. These can be held for three main purposes:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves
- a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves
- a means of building up funds, often referred to as earmarked reserves, to meet known or predicted requirements; earmarked reserves are accounted for separately but legally remain part of the General Fund

In support of this requirement, and as part of the development of the budget for 2026/27, an assessment has been carried out to establish the minimum level of the General Fund Working Balance for this Council. Based on this assessment it is recommended that the minimum working balance should remain at £1.0m. At this level it represents circa 3% of the Council's gross revenue expenditure.

7. Council Tax for 2026/27

7.1 Cabinet will make its final recommendation for Full Council to approve on 4th March 2026. Other precepting authorities will announce their Council Tax charges as follows:

- Lancashire County Council – 26th February 2026
- Lancashire Fire & Rescue – 23rd February 2026
- Lancashire Police & Crime Commissioner – Early February 2026
- Whitworth Town Council – February 2026

7.2 The proposed Band D Council Tax for 2026/27 and the previous charge across Rossendale is as follows:

Table 5

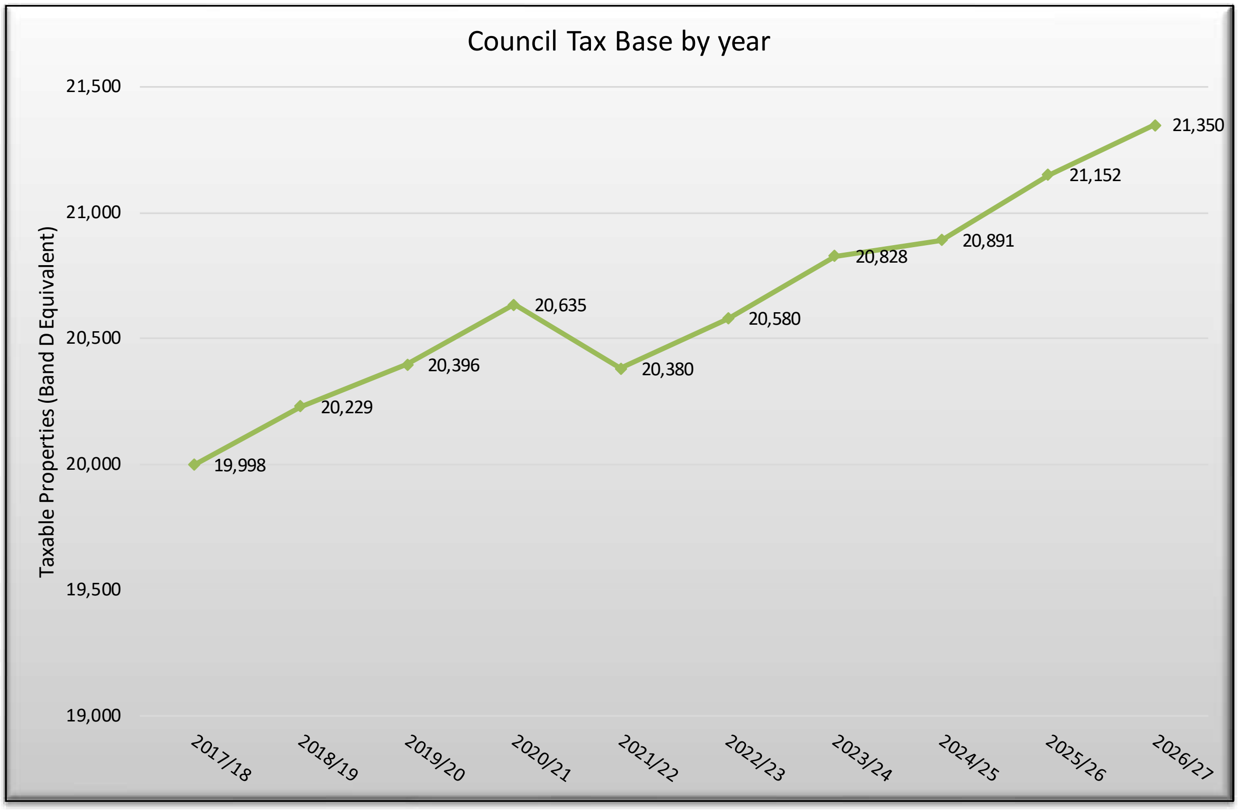
Precepting Body	% Increase	2025/26 Band D £	2026/27 Band D £	Increase £	% Share	2025/26 Band A £	2026/27 Band A £	Increase £
Rossendale BC	2.99%	**317.66**	**327.16**	9.50	13.0%	**211.77**	**218.11**	6.33
Lancashire County Council *	3.80%	**1,735.79**	**1,801.75**	65.96	71.6%	**1,157.19**	**1,201.17**	43.97
Combined Fire Authority *	£ 5.00	**89.73**	**94.73**	5.00	3.8%	**59.82**	**63.15**	3.33
Police & Crime Commissioner *	£ 14.00	**277.40**	**291.40**	14.00	11.6%	**184.93**	**194.27**	9.33
Total (Excl' Whitworth)	**9.63%**	**2,420.58**	**2,515.04**	94.46	100.0%	**1,613.72**	**1,676.69**	62.97
Whitworth Parish Council	24.76%	**33.86**	**33.86**					
Total Whitworth Parish	**9.82%**	**2,454.44**	**2,548.90**					

** At the time of publication the 2026/27 rates have not yet been approved.*

8. Council Tax Base

8.1 For 2026/27 the Council has seen 98 new properties added to the valuation list, with the majority of these being Band B properties. The Band D Tax base has increased by 198 properties – 0.93% to 21,350 Band D equivalents. The table below shows the growth trend.

Table 6



8.2 Any variation through actual billing will be reflected in the Collection Fund. The housing target for Rossendale is 321 per annum albeit there is no Band D equivalent published and with

Rossendale's housing stock predominantly comprising properties in bands A to C.

9. Fees and Charges

9.1 The annual budget requires that any changes to the council's fees and charges be approved by members. Unless there is commercial justification not to increase fees or an alternative statutory regulation, the proposal is to increase all fees and charges to ensure costs are being recovered. A full list of fees (including previous year comparisons) are included at Appendix 1.

10. Member Allowances

10.1 Members are asked to note that allowances remain set as detailed in the Members Allowances Scheme.

11. Bridging the Council's future funding gap

11.1 The council continues to face a funding gap for the future. Therefore, the council should continue to give consideration to:

- The future levels of Council Tax
- Maximising the returns from business rates revenue
- The council's ability to support non-statutory activities and partner/community organisations
- The future quality and standard of statutory service provision
- Any future efficiencies within services and ensuring support services are appropriate
- The council's ability to exploit new revenue generating opportunities
- Treasury management initiatives and maximising the strength of the council's balance sheet resources
- Ensuring any contract renewals are to the best advantage of the council.

12. RISK

In managing the council's budget the council is seeking to manage the following larger scale risks:

12.1 **Council Tax:** In setting the 2026/27 budget, members should continue to plan and give due regard to the continued financial challenges over the medium term. In particular, members should be aware of the future implications for the council's financial resources of any council tax freeze or any increase below the Governments' referendum trigger.

12.2 **Reserves:** The level of reserves is still an estimate until the external auditors sign off the previous years accounts. The ongoing audit crisis in the UK will lead to a level of uncertainty for an as yet undefined period but it is likely that this will continue for at least the next two years. Members should note that the 2026/27 budget proposals include the use of £1,261k from the Transitional reserve. The un- ringfenced reserves are the Transitional, General Fund and some Directorate reserves. An ongoing reliance on reserves to manage the medium term budget is unsustainable and this will require the council to seek future savings and income generation which members will need to support.

12.3 **Resources:** Although the Council continues to face significant financial pressures, the financial settlement is a three year settlement for the first time in a decade, this makes resource planning less difficult for this MTFS due to there being an element of financial certainty and stability.

12.4 **Funding gap:** The medium-term financial forecast indicates the Council has identified additional income or savings of c£179k in 2026/27 reducing to £84k annually in 2027/28. Members must continue to give due consideration as to how they are to bridge the annual deficit going forward, in order to continue to produce legally balanced budgets for the future.

12.5 **NNDR arrangements for 2026/27:** The Government has announced that the Business Rates arrangements for 2026/27 feature a major revaluation, multi-tiered multipliers and specific transitional and supporting relief schemes. The previous two tired multiplier system will be replaced by five different multipliers based on property value and type (retail, hospitality and leisure). The temporary reliefs from previous years will end and be replaced by permanently lower multipliers for these industries. A new transitional relief has been announced and an expanded Supporting Small Business scheme to help businesses following bill increases as a result of revaluation.

12.6 The Lancashire Business Rates Pool of which Rossendale BC has been a member for a number of years has now ceased.

12.7 **Pay:** The 2025/26 pay award amounted to 3.2% increase for this Council. Since the agreement of this pay settlement inflationary pressures and interest rates have fallen, therefore the budget assumes a 3% pay award for 2026/27 and 2% for 2027/28. The budget also assumes, as in previous years a saving as a result of natural staff turnover and the vacancy saving this creates, this is set at £100k pa. Whilst this is a challenging target, it is achievable and will be closely monitored

12.8 **Capital:** Members need to be aware of the impact the increased number of capital schemes and expenditure will have on the MTFS in future years. Capital expenditure has to be paid for through the revenue budget spread across the life of the asset, this is called the Minimum Revenue Provision (MRP). The MRP charged to the revenue budget in 2026/27 based on the estimated capital expenditure is c£705k, however based on current schemes this rises to c£940k by 2027/28. This places additional pressure on the MTFS.

12.9 **Rossendale Leisure Trust (RLT):** The Trust has made great strides over the last two years in managing leisure operations within budget and continues to live within the agreed headroom that was approved as part of the previous leisure review in 2023.

At the time of the Council owned leisure assets and the operations of Rossendale Leisure Trust are under a more focused review by a leading leisure consultancy firm with a view to shaping a sustainable leisure offer for the borough.

It is expected that there will be some investment and operational decisions that will be necessary following the outcome of this review which will drive the ongoing sustainability of the Leisure offer in Rossendale and reduce the risk to the Council.

There is a provision in the proposed 2026/27 revenue and capital budgets to support any decisions arising. The exact quantum is as yet unknown pending the decisions arising from the outcome of the review and potential match and third-party funding opportunities, but it is felt that the provision is sufficient for the current time. Should any further funding be required, that would be a decision for Full Council either in year or as part of a subsequent budget setting round.

12.10 **Temporary Accommodation:** The current demand for temporary accommodation is placing significant pressure on the Council's revenue budget. Whilst the Council claims Housing Benefit towards the cost, this only covers c20% of the expenditure. The Housing Options team are working hard to reduce costs wherever possible and the Council is investigating longer term solutions. During 2025/26 two additional properties have been purchased by RBC to provide temporary accommodation and it is hoped to purchase an additional eight properties in 2026/27 and this has been built into the Capital budget. This could potentially reduce the shortfall in subsidies received for Housing benefits.

12.11 **Corporate Risk register:** The register includes risks around the MTFS, Sustainable Workforce and the Leisure Trust. The MTFS is currently an “amber" risk, in light of this current MTFS update it is recommended that the current risk rating is retained.

13. Section 25 Report

13.1 As part of the final recommendations to Full Council, Section 25 of the Local Government Act (2003) places a requirement on the Section 151 Officer to advise councillors during the budget process on “the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed financial reserves”, which includes a financial resilience statement. This provision is designed to ensure that members have information which will support responsible financial management over the longer term.

13.2 The Director of Resources (as the officer designated under Section 151 of the Local Government Act 1972) has produced the following statements in respect of the proposed budget for 2026/27:

- Acknowledging the contents of this report and setting this within the wider control framework and financial management arrangements within the council, it is my opinion that the estimates have been prepared and reviewed utilising the most up to date and accurate information available and that all assumptions made are reasonable in the current climate. I therefore consider the Council’s budget for 2026/27 to be robust.
- I am of the view that the Council is pursuing a sound financial strategy in the context of the challenging financial position. However, there remains a high level of uncertainty. The Cabinet and Corporate Management Team will be working to firm up the 2026/27 savings proposals and formulate the plans for identifying the additional savings requirement during 2026 and will continue monitoring the current economic position.
- In relation to financial reserves, the levels continue to be closely monitored and if the savings/income generation schemes set out in table 2 are achieved the level of reserves is adequate for the lifetime of this forecast. However, if the savings are not achieved or the additional income isn’t generated the Council’s reserves will be negatively impacted by any shortfall.

14. SECTION 151 OFFICER COMMENTS (FINANCE)

14.1 The key financial matters are dealt with throughout this report. The decision to increase Council Tax is a Member decision. In making their decision Members should give consideration of the deficit facing the council over the medium term. Given the council’s future deficit an increase of 2.99% in Council Tax is strongly recommended by the s.151 officer. Any change to Council Tax below the maximum allowed, has an ongoing and cumulative negative impact on future year resources.

14.2 The council continues to face a funding gap challenge despite the savings and income generation work already completed this year and in previous years. The council has a statutory duty to produce annually a balanced budget and it is legally bound to find a solution to the future funding gap. There are also some higher risk assumptions in the forecast. Ultimately the use of reserves to balance the funding gap, although legal, is both finite and financially not a sustainable approach to managing the budget in the long-term.

14.3 Given the 2026/27 cost base and the financial gap over the longer term the council needs to continue to develop plans to reduce its net cost base in order to avoid reliance on limited reserves and to deal with the future resource deficit. The key messages for the medium term continue to be:

- Council must continue to increase Council Tax in line with the Government’s maximum thresholds.

- Council must give further consideration to either reduce costs or increase revenue.
- There remains uncertainty of future funding levels given the local Government finance policy statement of December 2025 including a new approach to targeting funding and a review of the business rates system.
- The impact and timing of any Local Government reorganisation could have further impacts on the revenue budget prior to the proposed transfer to a new unitary authority in 2028.

15. MONITORING OFFICER COMMENTS (LEGAL)

15.1 The council must calculate and approve its Council Tax Requirement annually for the forthcoming financial year in accordance with s32 and s43 of the Local Government Finance Act 1992 (LGFA 1992). Section 25 of the Local Government Act (2003) also requires the officer having responsibility for the administration of the council's financial affairs, to report to the council on the robustness of the budget estimates and adequacy of financial reserves when determining its budget requirement under the Local Government Finance Act 1992. This report discharges this responsibility.

16. INTEGRATED IMPACT ASSESSMENT IMPLICATIONS

16.1 Not Applicable

17. POLICY/STRATEGY FRAMEWORK IMPLICATIONS

17.1 The Equality Act (2010) requires the council to have due regard in the exercising of its functions to eliminate discrimination, advance equality of opportunity and foster good relations between people who share a relevant protected characteristic and those who do not share it. Equality impact assessments will be carried out where necessary on any savings proposal. The duty to inform, consult or involve requires that the council must involve communities and those directly affected at the most appropriate and proportionate level in 'routine functions, in addition to one-off decisions.' Consultation took place with:

- Cabinet and Management Team – November and December 2025 and January 2026
- Members – December 2025 and January 2026
- Public (via social media and the council's website) – January and February 2026
- Overview & Scrutiny - February 2026

18. LOCAL GOVERNMENT REORGANISATION IMPLICATIONS

18.1 A decision has been made in 2026/27 at the time of writing, to produce a two year MTFS due to local government reorganisation.

18.2 A provisional sum for transitional costs has been included in the budget.

19. BACKGROUND PAPERS

19.1 Revenue Budget 2026/27 and the MTFS update being reported to O&S in February 2026.

Fees and Charges
2026/27

Council may from time to time revise fees and charges partway through a financial year

Effective and Efficient Council

Trade Waste

Trade Waste Cost per annum one pick up a week size of bin	2025/26 Charge	2026/27 Charge
140ltr	£368.00	£385.00
240ltr	£551.00	£575.00
500ltr	£761.00	£790.00
660ltr	£945.00	£980.00
770ltr	£1,050.00	£1,090.00
1100ltr	£1,103.00	£1,145.00

Schools/ Charities Cost per annum one pick up a fortnight size of bin	2025/26 Charge	2026/27 Charge
55 - 140ltr Bin, Bag or Box	£184.00	£195.00
240ltr	£275.50	£290.00
500ltr	£380.50	£395.00
660ltr	£472.50	£490.00
770ltr	£525.00	£545.00
1100ltr	£551.50	£575.00

Trade Recycling Cost per annum - fornightly collection size of bin	2025/26 Charge	2026/27 Charge
55 - 140ltr Bin, Bag or Box	£79.00	£85.00
240ltr	£100.00	£105.00
500ltr	£168.00	£175.00
660ltr	£205.00	£215.00
770ltr	£231.00	£240.00
1100ltr	£278.00	£290.00

Food Waste	2025/26 Charge	2026/27 Charge
140ltr weekly collection	£250.00	£260.00
240ltr weekly collection	£350.00	£365.00
23 Caddy weekly collection	n/a	£190.00

Sacks etc	2025/26 Charge	2026/27 Charge
Grey Sacks (includes VAT) (50 pack)	£315.00	£330.00
Blue Sacks (50 pack)	£79.00	£85.00
Aqua Sacks (50 pack)	£79.00	£85.00

Bulky Collections

Bulky Collection Charges	**2025/26 Charge**	**2026/27 Charge**
1 item (furniture and electrical items)	£22.00	£25.00
2 items (furniture and electrical items)	£34.00	£37.00
3 items (furniture and electrical items)	£45.00	£49.00
4 items (furniture and electrical items)	£57.00	£61.00
5 items (furniture and electrical items)	£68.00	£73.00
6 items (furniture and electrical items)	£80.00	£85.00
7 items (furniture and electrical items)	£91.00	£97.00
8 items (furniture and electrical items)	£103.00	£109.00
9 items (furniture and electrical items)	£114.00	£121.00
10 items (furniture and electrical items)	£126.00	£133.00
Price per additional item	£10 per item thereafter	£12 per item thereafter

Bins & Sacks	**2025/26 Charge**	**2026/27 Charge**
New Bin Delivery	£41.00	£45.00

Garden Waste	**2025/26 Charge**	**2026/27 Charge**
Garden Waste (yearly fee)	£48.00	£50.00
Aditional bin subscribed at same time		£30.00

No charges for the following Bins

Blue - Glass, Cans & Plastics

Grey - Paper & Cardboard

Parks and Playing Fields

Letting of Sites (Per Day)	2025/26 Charge	2026/27 Charge
Moorlands Park	£270.00	£280.00
Stubbylee Park	£270.00	£280.00
Victoria Park	£270.00	£280.00
Maden Recreation Ground	£270.00	£280.00
Fairview	£270.00	£280.00
All Other Playing Fields	£141.00	£150.00

Parks and Playing Fields

Memorials / Dedications	2025/26 Charge	2026/27 Charge
Trees		
Standard option	£265.00	£275.00
Own selected species	Upon request	Upon request
Benches		
Standard	£1,097.00	£1,140.00
Ornate	£1,349.00	£1,400.00

Cemeteries

	2025/26 Charge	2026/27 Charge
Purchase of right of burial in numbered grave space	£1,400.00	£1,450.00
Purchase of right of burial in numbered grave space (outside of the Borough)	£1,664.00	£1,722.00
Transfer of Grant	£84.00	£87.00
Right to fix a headstone or monument		
Headstone	£257.00	£266.00
Kerb Stones	£625.00	£647.00
Inscriptions	£68.00	£70.00
Vase / Plinth and Tablets	£121.00	£125.00
Interments		
Earth Grave & Grave Dressing (resident of the Borough)	£1,144.00	£1,184.00
Earth Grave & Grave Dressing (non resident of the Borough)	£1,733.00	£1,794.00
Vault – Constructions costs + 5% **(+ VAT)**	£1,386.00	£1,435.00
Vault – Interments	£1,260.00	£1,304.00
Vault – Interments (non resident of the Borough)	£1,822.00	£1,886.00
Interment of Ashes	£273.00	£283.00
Interment of ashes (non resident of the borough)	£346.00	£358.00
Scattering of Ashes	£55.00	£57.00
Bricking of grave to coffin height (additional fee)	£236.00	£244.00
Ashes Chambers (Rawtenstall, Bacup & Haslingden)		
Purchase of Exclusive Right of Burial in Chamber	£877.00	£908.00
Interment of ashes in chamber	£310.00	£321.00
Miscellaneous Charges		
Copy of Regulations and Charges	£12.00	£12.00
Search Fee	£51.00	£53.00
Duplicate Grave Deed	£81.00	£84.00
Use of Chapel	£197.00	£204.00
Garden of Remembrance / Whitworth		
Reserving Space	£43.00	£45.00
Interment of Ashes	£68.00	£70.00
Headstone in above.	£73.00	£76.00
Supply of Engraved Plaque (excluding VAT)	£186.00	£193.00
Supply of Memorial Tree	£473.00	£490.00
New Bench including Plaque	£1,575.00	£1,635.00

Environmental Health

Food Safety	2025/26 Charge	2026/27 Charge
Export Certificate	**£66.00**	**£68.00**
Re-inspections of business operators for food hygeine rating	**£184.00**	**£190.00**
Private water supplies - Risk Assessment	£58 per hour or any part there of, plus £13.00 per invoiced Household	£60 per hour or any part there of, plus £14.00 per invoiced Household
Private water supplies - Sampling	£58 per hour or any part there of, plus £13.00 per invoiced Household	£60 per hour or any part there of, plus £14.00 per invoiced Household
Private water supplies - Investigation	£58 per hour or any part there of, plus £13.00 per invoiced Household	£60 per hour or any part there of, plus £14.00 per invoiced Household
Private water supplies - Granting Authorisation	£58 per hour or any part there of, plus £13.00 per invoiced Household	£60 per hour or any part there of, plus £14.00 per invoiced Household
Private water supplies - Analysing a sample under Regulation 10	£58 per hour or any part there of, plus £13.00 per invoiced Household	£60 per hour or any part there of, plus £14.00 per invoiced Household
Private water supplies - Analysing a check monitoring sample	£58 per hour or any part there of, plus £13.00 per invoiced Household	£60 per hour or any part there of, plus £14.00 per invoiced Household
Private water supplies - Analysing an audit monitoring sample	£58 per hour or any part there of, plus £13.00 per invoiced Household	£60 per hour or any part there of, plus £14.00 per invoiced Household
Health & Safety	**2025/26 Charge**	**2026/27 Charge**
Skin Piercing - premises	**£220.00**	**£228.00**
Skin Piercing - persons	**£220.00**	**£228.00**
Factual report to solicitors / injured person	**£347.00**	**£359.00**

Environmental Health

Pollution Health & Housing	**2025-26 Charge**	**2026/27 Charge**
LAPC & LAPPC Fees	**As Prescribed**	**As Prescribed**
Environmental Information Regulation enquires	**£95 per hour** (minimum 1 hour)	**£100 per hour** (minimum 1 hour)
List of permitted processes	**£61.00**	**£63.00**
Enquires related to public register of permitted processes	**£95 per hour (minimum 1 hour)**	**£100 per hour** (minimum 1 hour)
Contaminated Land Enquires	**£104** (1st hour), **£52** per additional half hour)	**£109** (1st hour), **£55** per additional half hour)
Any Default works	**Hourly rate of officer involved + 17.12% of external works costs** (min £16 and max £525 per household)	**Hourly rate of officer involved + 17.12% of external works costs** (min £16 and max £525 per household**)**
UK House inspections	**£149.00**	**£155.00**
HMO License	**New Application** **Part A £719.70** **Part B £279.50** **Renewal** **Part A £700.70** **Part B £279.50**	**New Application** **Part A £719.70** **Part B £279.50** **Renewal** **Part A £700.70** **Part B £279.50**
Housing Act 2004 Notices not including Variations and Revocations	Up to Statutory Maximum of £525	Up to Statutory Maximum of £525
Housing Act 2004 Revocation or Variation of Notice	Officer Time at £50 per hour	Officer Time at £50 per hour
The Smoke and Carbon Monoxide Alarm (England) Regulations 2016 Penalty Charge (not exceeding £5000) Reg 8	First offence £2,500 (reduced to £1,250 if paid early). Second offence £5,000 (reduced to £2,500 if paid early). Any other offence £5,000 with no reductions.	First offence £2,500 (reduced to £1,250 if paid early). Second offence £5,000 (reduced to £2,500 if paid early). Any other offence £5,000 with no reductions.
Scrap Metal		
Dealers 3 year Licence	**£510.00**	**£528.00**
Mobile Collections 3 year Licence	**£397.00**	**£411.00**
Variations	**£74.00**	**£77.00**
Replacement licences	**£57.00**	**£59.00**

Gambling Act Licences

Activity	2025/26 Charge	2026/27 Charge
Bingo Hall – New Licence	£1,979.00	£2,040.00
Bingo Hall – Non Fast Track	£1,838.00	£1,750.00
Bingo Hall – Annual Fee	£1,050.00	£1,000.00
Bingo Hall – Variations	£1,838.00	£1,750.00
Bingo Hall – Reinstatement of Licence	£1,260.00	£1,200.00
Bingo Hall – Provisional statement	£1,190.00	£2,080.00
Bingo Hall – Transfer	£595.00	£615.00
Betting Shop – New Application	£1,765.00	£1,818.00
Betting Shop – Annual Fee	£630.00	£600.00
Betting Shop – Variations	£1,575.00	£1,500.00
Betting Shop – Reinstatement	£1,155.00	£1,200.00
Betting Shop – Provisional Statement	£2,100.00	£1,855.00
Betting Shop – Transfer	£1,260.00	£1,200.00
Adult Gaming Centre – New Application	£1,402.00	£1,445.00
Adult Gaming Centre – Annual Fee	£1,050.00	£1,000.00
Adult Gaming Centre – Variations	£1,050.00	£1,000.00
Adult Gaming Centre – reinstatement of licence	£1,260.00	£1,200.00
Adult Gaming Centre – provisional licence	£2,100.00	£2,000.00
Adult Gaming Centre – transfer	£1,260.00	£1,200.00
Family Entertainment Centre – New Application	£1,393.00	£1,435.00
Family Entertainment Centre – Annual Fee	£788.00	£750.00
Family Entertainment Centre – Variations	£788.00	£812.00
Family Entertainment Centre – reinstatement of	£997.00	£950.00
Family Entertainment Centre – provisional statement	£2,100.00	£2,000.00
Family Entertainment Centre – Transfer	£997.00	£950.00

Street Trading

Licence	Details	2025/26 Charge	Notes	2026/27 Charge	Notes
Street Trading Consent - 12 mth consent	New	£100.00	Application Fee. A further £353 will be charged for issue of consent (below)	£105.00	Application Fee. A further £353 will be charged for issue of consent (below)
Street Trading Consent - 12 mth consent	New	£353.00	Issue fee	£370.00	Issue fee
Street Trading Consent - 12 mth consent	Renewal	£452.00		£470.00	
Street Trading Consent - 14 day consent	New	£100.00	Fee is not payable if the consent is a community event (as determined by the licencing manager)	£105.00	Fee is not payable if the consent is a community event (as determined by the licencing manager)
Variation of Street Trading Consent	Variation	£0.00		£0.00	
Change of personal details		£0.00		£0.00	
Change in employee details		£0.00		£0.00	
Copy of street trading consent		£0.00		£0.00	

Second Hand Goods Dealers Fees

Licence	Details	2025/26 Charge		2026/27 Charge	
Second hand Goods Dealer Registration	Registration	£110.00		£115.00	
Copy registration certificate	Copy certificate	£0.00		£0.00	

Other

Licence	Details	2025/26 Charge		2026/27 Charge	
Sex Shop	New	£3,446.00		£3,570.00	

Animal Welfare

Item	Application Fee	Licence Fee	2025/26 Charge	Application Fee	Licence Fee	2026/27 Charge	NOTES
Keeping or Training Animals for exhibition	£127.00	£288.00	£415.00	£135.00	£300.00	£435.00	
Selling animals as Pets	£127.00	£288.00	£415.00	£135.00	£300.00	£435.00	
Doggy Day Care	£127.00	£288.00	£415.00	£135.00	£300.00	£435.00	
Hiring out Horses	£161.00	£297.00	£458.00	£170.00	£310.00	£480.00	Additional vet fees apply and charged separately prior to issue of licence
Dog Breeding	£161.00	£297.00	£458.00	£170.00	£310.00	£480.00	Additional vet fees apply and charged separately prior to issue of licence
Dog Breeding	£193.00	£310.00	£503.00	£200.00	£325.00	£525.00	Additional vet fees apply and charged separately prior to issue of licence
Boarding for cats	£127.00	£288.00	£415.00	£135.00	£300.00	£435.00	
Boarding dogs in kennels	£127.00	£288.00	£415.00	£135.00	£300.00	£435.00	
Home Boarders (Single Dwelling)	£119.00	£300.00	£419.00	£125.00	£315.00	£440.00	
Arranging boarding/day care where agent not boarding themselves	£262.00	£304.00	£566.00	£275.00	£315.00	£590.00	
Additional fee for every 1 host	£58.00	£32.00	£90.00	£65.00	£35.00	£100.00	
Arranging boarding/day care where Host has to apply in own right	£324.00	£300.00	£624.00	£340.00	£315.00	£655.00	
Add additional activity to existing licence	£93.00	£0.00	£93.00	£100.00	£0.00	£100.00	
Licence issue (copy licence or following variation)	£15.00	£0.00	£15.00	£20.00	£0.00	£20.00	
Appeal Fee	£86.00	£0.00	£86.00	£90.00	£0.00	£90.00	£43 refunded if appeal results in a higher star rating
Re-score Request	£65.00	£0.00	£65.00	£70.00	£0.00	£70.00	
Missed vet or inspector appointment fee	£55.00	£0.00	£55.00	£60.00	£0.00	£60.00	Where appointment arranged but inspection cannot be undertaken for any reason
Zoo Licence	£195.00	£195.00	£390.00	£205.00	£205.00	£410.00	Additional vet fees apply and charged separately prior to issue of licence
Dangerous Wild Animals Licence	£91.00	£91.00	£182.00	£95.00	£95.00	£190.00	Additional vet fees apply and charged separately prior to issue of licence

Primate Licensing

Licence	Details	2025/26 Charge	Notes	2026/27 Charge	Notes
New application fee *	3 year licence	n/a		£375.00	Application fee. Further licence fee payable if application granted. Plus vets/inspector fees where necessary
Licence fee - 1st issue *	3 year licence	n/a		£345.00	First issue of 3 year licence - includes interim inspections and enforcement costs.
Total				**£720.00**	
Renewal application fee (no changes from initial application) *	3 year licence	n/a		£335.00	Application fee. Further licence fee payable if application granted. Plus vets/inspector fees where necessary
Renewal issue fee - 1st issue (no changes to initial application) *	3 year licence	n/a		£325.00	First issue of renewal licence - includes interim inspections and enforcement costs.
Total				**£660.00**	
New application fee *	1 year licence	n/a		£150.00	Application fee. Further licence fee payable if application granted. Plus vets/inspector fees where necessary
Licence fee *	1 year licence	n/a		£140.00	Issue of 1 year licence - includes interim inspections and enforcement costs.
Total				**£290.00**	
Variation to reduce the number of primates of same species (during the period of the existing licence)		n/a		£55.00	
Variation to increase the number of primates of the same species (during the period of the existing licence) *		n/a		£205.00	Plus vets/inspector fees where necessary
Change of licence holder name through marriage/divorce/deed poll		n/a		£17.50	
Copy of licence		n/a		£27.00	
Pre-application advice visit		n/a		£350.00	

* vets/inspector fees will apply seperately as and where necessary

Taxi Licensing

	2025-26 Charge	2026/27 Charge
Hackney Carriage Driver Licence (Renewal) 3 years	£259	£270.00
Hackney Carriage Driver New Licence (Renewal) 3 years	£259	£270.00
Hackney Carriage Vehicle Licences	£212	£220.00
Electric Hackney Carriage Vehicle Licenses		£0.00
Hackney Carriage Vehicle Licence (Renewal)	£212	£220.00
Private Hire Vehicle Licence	£212	£220.00
Electric Private Hire Vehicle Licence		£0.00
Private Hire Vehicle Licence (Renewal)	£212	£220.00
Private Hire Driver Licence 3 years	£259	£270.00
Private Hire New Driver License 3 years	£259	£270.00
Private Hire Operators License 5 years	£446	£465.00
Private Hire Operators License 3 years	£321	£335.00
Private Hire Operators License 1 year	£196	£205.00
Driver/ Vehicle/ Operator License only	No charge	No charge
Copy documents	No charge	No charge
Re-booking Fee	£35	£35
Basic Skills Assessment / Policy Knowledge Test	£70	£70
Change of Vehicle	£42	£42
Replacement Door Stickers (each)	£8	£8
Replacement ID Plate	£13	£13
Replacememnt ID Badge	£5	£5
Lanyard	£2	£2

Premises Liquor Licences	**Rateable Value**	**Band**	**Band**
The cost premises licences are determined in accordance with the Licensing Act 2003 and the regulations made therein. Local Authorities have no discretion in this matter.	Rateable < £4,300	A	A
	£4,300 to £33,000	B	B
	£33,001 to £87,000	C	C
	£87,001 to £125,000	D	D
	£125,001 and above	E	E

Licence	**Description**	**2025/26 Charge**	**2026/27 Charge**
Premises Licence - Alcohol Band A	New	£100.00	£100.00
Premises Licence - Alcohol Band B	New	£190.00	£190.00
Premises Licence - Alcohol Band C	New	£315.00	£315.00
Premises Licence - Alcohol Band D	New	£450.00	£450.00
Premises Licence - Alcohol Band E	New	£635.00	£635.00
Premises Licence - NO Alcohol Band A	New	£100.00	£100.00
Premises Licence - NO Alcohol Band B	New	£190.00	£190.00
Premises Licence - NO Alcohol Band C	New	£315.00	£315.00
Premises Licence - NO Alcohol Band D	New	£450.00	£450.00
Premises Licence - NO Alcohol Band E	New	£635.00	£635.00
Club Premiese Certificate - Alcohol Band A	New	£100.00	£100.00
Club Premiese Certificate - Alcohol Band B	New	£190.00	£190.00
Club Premiese Certificate - Alcohol Band C	New	£315.00	£315.00
Club Premiese Certificate - Alcohol Band D	New	£450.00	£450.00
Club Premiese Certificate - Alcohol Band E	New	£635.00	£635.00
Club Premiese Certificate - NO - Alcohol Band A	New	£100.00	£100.00
Club Premiese Certificate - NO - Alcohol Band B	New	£190.00	£190.00
Club Premiese Certificate - NO - Alcohol Band C	New	£315.00	£315.00
Club Premiese Certificate - NO - Alcohol Band D	New	£450.00	£450.00
Club Premiese Certificate - NO - Alcohol Band E	New	£635.00	£635.00
Premises Licence - Alcohol Band A	Annual Fee	£70.00	£70.00
Premises Licence - Alcohol Band B	Annual Fee	£180.00	£180.00
Premises Licence - Alcohol Band C	Annual Fee	£295.00	£295.00
Premises Licence - Alcohol Band D	Annual Fee	£320.00	£320.00
Premises Licence - NO Alcohol Band A	Annual Fee	£70.00	£70.00
Premises Licence - NO Alcohol Band B	Annual Fee	£180.00	£180.00
Premises Licence - NO Alcohol Band C	Annual Fee	£295.00	£295.00
Premises Licence - NO Alcohol Band D	Annual Fee	£320.00	£320.00
Premises Licence - NO Alcohol Band E	Annual Fee	£350.00	£350.00
Copy premises Licence or summary	Section 25	£10.50	£11.00
Provisional Statement	Sectio 29	£315.00	£315.00
Notification of Change of Name or address - premise Licence	Section 33	£10.50	£11.00
Variation of DPS	Section 37	£23.00	£23.00
Transfer Premises Licence	Section 42	£23.00	£23.00
Interim Authoirty Notice	Section 47	£23.00	£23.00
Copy club premises certificate or summary	Section 79	£10.50	£11.00
Notification of Change of Name or alteration of rules	Section 82	£10.50	£11.00
Change of registered address of club	Section 83	£10.50	£11.00
Temporary Event Notice	Section 100	£21.00	£21.00
Copy Temporary Event Notice	Section 100	£10.50	£11.00
Personal Licence	New	£37.00	£37.00
Personal Licence	Renewal	£37.00	£37.00
Copy personal Licence	Section 126	£10.50	£11.00
Notification of change of name or address - personal Licence	Section 127	£10.50	£11.00
Notification of interest	Section 178	£21.00	£21.00

Planning Applications

The planning application costs are determined in accordance with the Town and Country Planning Regulations 2012. Local Authorities have no discretion in this matter.

All Outline Applications		**2025/26 Charge**	**20% fixing broken Hsg Mrkt element**	**2026/27 Charge**	**20% fixing broken Hsg Mrkt element**
Site Area	Less than 0.5 Hectares	£588 per 0.1 hectare (or part thereof)	£118	£610 per 0.1 hectare (or part thereof)	£125
Site Area	At least 0.5 Hectares but not more than 2.5 Hectares	£635 per 0.1 Hectare (or part thereof)	£106	£660 per 0.1 Hectare (or part thereof)	£110
Site Area up to a maximum fee of £150,000	More than 2.5 hectares	£15,695 + £189 per 0.1 hectare (or part thereof)	£3,139 + £38	£16,245 + £200 per 0.1 hectare (or part thereof)	£3,250 + £40

Householder Applications		**2025/26 Charge**	**20% fixing broken Hsg Mrkt element**	**2026/27 Charge**	**20% fixing broken Hsg Mrkt element**
Alterations/extensions to a **single dwelling,** including works within boundary	Single dwelling (excluding flats)	£262	£44	£275	£50

Full Applications (and First Submissions of Reserved Matters)		**2025/26 Charge**	**20% fixing broken Hsg Mrkt element**	**2026/27 Charge**	**20% fixing broken Hsg Mrkt element**
Erection of dwellings					
Permission in Principle		£512 for each 0.1 hectare	£85	£530 for each 0.1 hectare	£90
Alterations/extensions to **two or more dwellings**, including works within boundaries	Two or more dwellings (or one or more flats)	£588	£98	£610	£105
New dwellings (up to and including 50)	New dwellings (At least 10 but not more than 50)	£635 per dwelling	£106	£660 per dwelling	£110
New dwellings (for *more* than 50)	New dwellings (more than 50)	£31,385 + £189 per additional dwelling to a maximum of £411,885	£5,231 + £32	£32,485 + £200 per additional dwelling to a maximum of £426,305	£5,415 + £35
Erection of buildings (not dwellings, agricultural, glasshouses, plant nor machinery):					
Increase of floor space	No increase in gross floor space or no more than 40m²	£298	£50	£310	£55
Increase of floor space	More than 40m² but no more than 1000m²	£588 for each 75m² or part thereof	£98	£610 for each 75m² or part thereof	£105
Increase of floor space	More than 1000m² but no more than 3,750m²	£635 for each 75m² or part thereof	£106	£660 for each 75m² or part thereof	£110
Increase of floor space	More than 3,750m²	£31,385 + £189 for each additional 75m² in excess of 3750 m² to a maximum of £411,885	£5,231 + £32	£32,485 + £200 for each additional 75m² in excess of 3750 m² to a maximum of £426,305	£5,415 + £35
The erection of buildings (on land used for agriculture for agricultural purposes)					
Site area	Not more than 465m²	£122	£20	£130	£25
Site area	More than 465m² but not more than 540m²	£588	£98	£610	£105
Site area	More than 540m² but not more than 1,000m²	£588 for first 540m² + £588 for each 75m² (or part thereof) in excess of 540m²	£98 + £98	£610 for first 540m² + £610 for each 75m² (or part thereof) in excess of 540m²	£105 + £105
Site area	More than 1,000m² but not more than 4,215m²	£5,077 + £635 for each 75m² (or part thereof) in excess of 1000m²	£846 + £106	£5,255 + £660 for each 75m² (or part thereof) in excess of 1000m²	£880 + £110
Site area	More than 4,215m²	£31,385 + £189 for each 75m² (or part thereof) in excess of 4,215m² up to a maximum of £411,885	£5,231 + £32	£32,485 + £200 for each 75m² (or part thereof) in excess of 4,215m² up to a maximum of £426,305	£5,415 + £35

Erection of glasshouses (on land used for the purposes of agriculture)		**2025/26 Charge**	**20% fixing broken Hsg Mrkt element**	**2026/27 Charge**	**20% fixing broken Hsg Mrkt element**
Floor space	Not more than 465m²	£122	£20	£130	£25
Floor space	More than 465m²	£3,280	£547	£3,395	£570
Erection/alterations/replacement of plant and machinery					
Site area	Less than 1 Hectare	£588 for each 0.1 hectare (or part thereof)	£98	£610 for each 0.1 hectare (or part thereof)	£105
Site area	At least 1 hectare but no more than 5 hectares	£635 for each 0.1 hectare (or part thereof)	£106	£660 for each 0.1 hectare (or part thereof)	£110
Site area	More than 5 hectares	£31,385 + additional £189 for each 0.1 hectare (or part thereof) in excess of 5 hectares to a maximum of £411,885	£5,231 + £32	£32,485 + £200 for each 75m² (or part thereof) in excess of 4,215m² up to a maximum of £426,305	£5,415 + £35

Applications other than Building Works		2025/26 Charge	20% fixing broken Hsg Mrkt element	2026/27 Charge	20% fixing broken Hsg Mrkt element
Car parks, service roads or other accesses	For existing uses	£298	£50	£310	£55
Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)					
Site area	Not more than 15 hectares	£321 for each 0.1 hectare (or part thereof)	£54	£333 for each 0.1 hectare (or part thereof)	£60
Site area	More than 15 hectares	£47,963 + £189 for each 0.1 hectare (or part thereof) in excess of 15 hectares up to a maximum of £107,090	£7,994 + £32	£49,645 + £200 for each 0.1 hectare (or part thereof) in excess of 15 hectares up to a maximum of £110,840	£8,275 + £35
Operations connected with exploratory drilling for oil or natural gas					
Site area	Not more than 7.5 hectares	£698 for each 0.1 hectare (or part thereof)	£116	£725 for each 0.1 hectare (or part thereof)	£125
Site area	More than 7.5 hectares	£52,269 + additional £207 for each 0.1 hectare (or part thereof) in excess of 7.5 hectares up to a maximum of £411,885	£8,712 + £35	£54,100 + additional £215 for each 0.1 hectare (or part thereof) in excess of 7.5 hectares up to a maximum of £426,305	£9,020 + £40
Other operations (winning and working of minerals)					
Site area	Not more than 15 hectares	£353 for each 0.1 hectare (or part thereof)	£59	£370 for each 0.1 hectare (or part thereof)	£65
Site area	More than 15 hectares	£52,886 + additional £207 for each 0.1 in excess of 15 hectare up to a maximum of £107,090	£8,814 + £35	£54,740 + additional £215 for each 0.1 in excess of 15 hectare up to a maximum of £110,840	£9,125 + £40
Other operations (not coming within any of the above categories)					
Site area	Any site area	£298 for each 0.1 hectare (or part thereof) up to a maximum of £2,578	£50	£109 for each 0.1 hectare (or part thereof) up to a maximum of £2,670	£55

Lawful Development Certificate		2025/26 Charge	20% fixing broken Hsg Mrkt element	2026/27 Charge	20% fixing broken Hsg Mrkt element
LDC – Existing Use - in breach of a planning condition		Same as Full		Same as Full	
LDC – Existing Use LDC - lawful not to comply with a particular condition		£298	£50	£310	£55
LDC – Proposed Use		Half the normal planning fee		Half the normal planning fee	
Reserved Matters					
Application for approval of reserved matters following outline approval		Full fee due or if full fee already paid then £588 due	£98	Full fee due or if full fee already paid then £610 due	£105
Approval/Variation/discharge of condition					
Removal or variation of a condition (to develop land without compliance with conditions previously attached)		£86 per request for Householder, £2,000 per request for Major, any other case £586 per request	£14 + £333 + £68	£90 per request for Householder, £2,070 per request for Major, any other case £610 per request	£15 + £345 + £75
Discharge of condition(s) – Approval of details and/or confirmation that one or more planning conditions have been complied with.		£86 per request for Householder otherwise £298 per request	£14 + £50	£90 per request for Householder otherwise £310 per request	£15 + £55
Request for confirmation that one or more planning conditions have been complied with		£86 per request for Householder otherwise £298 per request	£14 + £50	£90 per request for Householder otherwise £310 per request	£15 + £55
Change of Use of a building to use as one or more separate dwellinghouses, or other cases					
Number of Dwellings	Less than 10 Dwellings	£588 for each	£98	£610 for each	£105
Number of Dwellings	At least 10 but not more than 50 dwellings	£635 for each	£106	£660 for each	£110
Number of Dwellings	More than 50 dwellings	£31,385 + £189 for each in excess of 50 up to a maximum of £411,885	£5,231 + £32	£32,485 + £200 for each in excess of 50 up to a maximum of £426,305	£5,415 + £35
Other Changes of Use of a building or land		£588	£98	£610	£105
Advertising					
Relating to the business on the premises		£168	£28	£175	£30
Advance signs which are not situated on or visible from the site, directing the public to business		£168	£28	£175	£30
Other advertisements		£588	£98	£610	£105

Prior Approval Applications (under permitted development rights)		2025/26 Charge	20% fixing broken Hsg Mrkt element	2026/27 Charge	20% fixing broken Hsg Mrkt element
Agricultural and Forestry buildings & operations or demolition of buildings		£240	£40	£250	£45
Electronic communications (Part 16 Class A).		£588	£98	£610	£105
Proposed Change of Use to State Funded School or Registered Nursery		£240	£40	£250	£45
Proposed Change of Use of Agricultural Building to a State-Funded School or Registered Nursery		£240	£40	£250	£45
Proposed Change of Use of Agricultural Building to a flexible use within Shops, Financial and Professional services, Restaurants and Cafes, Business, Storage or Distribution, Hotels, or Assembly or Leisure		£240	£40	£250	£45
Proposed Change of Use of a building from Office (Use Class B1) Use to a use falling within Use Class C3 (Dwellinghouse)		£240	£40	£250	£45
Proposed Change of Use of Agricultural Building to a Dwellinghouse (Use Class C3), where there are no Associated Building Operations		£240	£40	£250	£45
Proposed Change of Use of Agricultural Building to a Dwellinghouse (Use Class C3), and Associated Building Operations		£516	£86	£535	£90
Proposed Change of Use of a building from a Retail (Use Class A1 or A2) Use or a Mixed Retail and Residential Use to a use falling within Use Class C3 (Dwellinghouse), where there are no Associated Building Operations		£240	£40	£250	£45
Proposed Change of Use of a building from a Retail (Use Class A1 or A2) Use or a Mixed Retail and Residential Use to a use falling within Use Class C3 (Dwellinghouse), and Associated Building Operations		£516	£86	£535	£90
Notification for Prior Approval for a Change Of Use from Storage or Distribution Buildings (Class B8) and any land within its curtilage to Dwellinghouses (Class C3)		£240	£40	£250	£45
Notification for Prior Approval for a Change of Use from Amusement Arcades/Centres and Casinos, (Sui Generis Uses) and any land within its curtilage to Dwellinghouses (Class C3)		£240	£40	£250	£45
Notification for Prior Approval for a Change of Use from Amusement Arcades/Centres and Casinos, (Sui Generis Uses) and any land within its curtilage to Dwellinghouses (Class C3), and Associated Building Operations		£516	£86	£535	£90
Notification for Prior Approval for a Change of Use from Shops (Class A1), Financial and Professional Services (Class A2), Betting Offices, Pay Day Loan Shops and Casinos (Sui Generis Uses) to Restaurants and Cafés (Class A3)		£240	£40	£250	£45
Notification for Prior Approval for a Change of Use from Shops (Class A1), Financial and Professional Services (Class A2), Betting Offices, Pay Day Loan Shops and Casinos (Sui Generis Uses) to Restaurants and Cafés (Class A3), and Associated Building Operations		£516	£86	£535	£90
Notification for Prior Approval for a Change of Use from Shops (Class A1) and Financial and Professional Services (Class A2), Betting Offices, Pay Day Loan Shops (Sui Generis Uses) to Assembly and Leisure Uses (Class D2)		£240	£40	£250	£45
Notification for Prior Approval for Householder development: • Larger rear extension or other alteration of a dwellinghouse (Part1 Class A). • Building upwards to extend a dwellinghouse (Part 1 Class AA).		£240	£40	£250	£45
Notification for Prior Approval for change of use from commercial, business and service uses (Use Class E) to dwellinghouses (Part 3 Class MA).		£250	£42	£260	£45
Notification for Prior Approval for change of use of other buildings) to dwellinghouses (Part 3, Classes M, N, Q).		£240	£40	£250	£45
Notification for Prior Approval for change of use of other buildings) to dwellinghouses (Part 3, Classes M, N, Q). and Associated Building Operations		£516	£86	£535	£90

Notification for Prior Approval for construction of new dwellinghouses: **• Demolition of certain buildings and construction of new dwellinghouses (Part 20 Class ZA).** **• Extending certain existing buildings upwards to create new dwellinghouses (Part 20 Classes A, AA, AB, AC, AD).**		2025/26 Charge	20% fixing broken Hsg Mrkt element	2026/27 Charge	20% fixing broken Hsg Mrkt element
Number of Dwellings	Less than 10	£425 for each	£71	£440 for each	£75
Number of Dwellings	At least 10 but not more than 50 dwellings	£459 for each	£77	£480 for each	£80
Number of Dwellings	More than 50 dwellings	£22,688 + £137 for each in excess of 50 up to a maximum of £411,885	£3,782 + £23	£23,485 + £145 for each in excess of 50 up to a maximum of £426,305	£3,915 + £25

Other Applications		2025/26 Charge	20% fixing broken Hsg Mrkt element	2026/27 Charge	20% fixing broken Hsg Mrkt element
Applications for Urgent Crown Development, made to the Secretary of State		Same as Planning Fee		Same as Planning Fee	
Monitoring of mining and landfill sites.		Where the whole or part of the site is active, £504. In any other case, £168	£84 + £28	Where the whole or part of the site is active, £525. In any other case, £175	£90 + £30
Certificates of appropriate alternative development		£298	£50	£310	£55
Application or deemed application is made or deemed to be made by or on behalf of a club, society or other organisation (including any persons administering a trust) which is not established or conducted for profit and whose objects are the provision of facilities for sport or recreation		£588	£98	£610	£105

Application for a Non-material Amendment Following a Grant of Planning Permission		2025/26 Charge	20% fixing broken Hsg Mrkt element	2026/27 Charge	20% fixing broken Hsg Mrkt element
Applications in respect of householder developments		£44	£7	£50	£10
Applications in respect of other developments		£298	£50	£310	£55

Local Authority Involvement in High Hedge Complaints		2025/26 Charge	20% fixing broken Hsg Mrkt element	2026/27 Charge	20% fixing broken Hsg Mrkt element
High Hedge Complaint		£625	N/A	£650	N/A

		2025/26 Charge	20% fixing broken Hsg Mrkt element	2026/27 Charge	20% fixing broken Hsg Mrkt element
Pre-Application Advice Fees	Small scale- Householders	£90	N/A	£95	N/A
	Medium Scale - 1-9 houses	£450		£470	
	Majors	£2,000		£2,070	
	Significant Majors	£3,000		£3,105	
	Listed Building Consent & Conservation Works	£250		£260	
Planning History Checks		£72	N/A	£75	N/A
Supplementary Planning Application Advice		POA	N/A	POA	N/A

S106 Fees

Type of Obligation Monitoring Fee	2025/26 Charge	Notes	2026/27 Charge	Notes
Commuted Sum	1% of each payment instalment	This will be included within each invoice requesting payment	1% of each payment instalment	This will be included within each invoice requesting payment
Land Contribution	£1,232 per development site	This payment is to be made at the time that the land transfer takes place	£1,280 per development site	This payment is to be made at the time that the land transfer takes place
On-site Affordable Housing	£1,232 per development site	Payment is to be made on the first occupation of the affordable units	£1,280 per development site	Payment is to be made on the first occupation of the affordable units
Other obligation	£1,232 per obligation	This is to ensure compliance with obligations such as providing a woodland management strategy etc	£1,280 per obligation	This is to ensure compliance with obligations such as providing a woodland management strategy etc
Overage Clause1	At least £1,232 or 1% of any additional payments due	This is to report on any commuted sum payments arising from greater profits.	At least £1,280 or 1% of any additional payments due	This is to report on any commuted sum payments arising from greater profits.
Commuted Sum Payments for open space contributions	£1,277 per dwelling for housing schemes of 10 or more dwelling	When need is demonstrated	£1,325 per dwelling for housing schemes of 10 or more dwelling	When need is demonstrated
Commuted sum payment for sports provision	£803 per dwelling for housing schemes of 10 or more dwelling	When need is demonstrated	To be calculated using Sport England's Playing Pitch Calculator and Built Sports Facility Calculator	When need is demonstrated
Historic S106 Agreements Obligations	Copies of S106 legal agreements and to seek evidence that obligations have been discharged.	£158	Copies of S106 legal agreements and to seek evidence that obligations have been discharged.	£165
Off-site Affordable Housing	Difference between OMV & RP x the number of offsite AH. (OMV - RP) x TS / 0.7	Cost to the developer if the affordable dwellings were provided on site	Difference between OMV & RP x the number of offsite AH. (OMV - RP) x TS / 0.7	Cost to the developer if the affordable dwellings were provided on site

Biodiversity Net Gain Fees

BNG Standard Monitoring Fee	2025/26 Charge			2026/27 Charge		
	Low technical difficulty to enhance/create habitats	Moderate technical difficulty to enhance/create habitats	High technical difficulty to enhance/create habitats	Low technical difficulty to enhance/create habitats	Moderate technical difficulty to enhance/create habitats	High technical difficulty to enhance/create habitats
Small biodiversity off-site/on-site area (0 to 10ha)	£8,003	£15,206	£23,361	£8,285	£15,740	£24,180
Medium biodiversity off-site/on-site area (10+ to 20ha)	£13,338	£20,978	£33,373	£13,805	£21,715	£34,545
Large biodiversity off-site/on-site area (20+ to 40ha)	£26,676	£35,963	£46,722	£27,610	£37,225	£48,360

Building Control - Table A

New Build - Houses 2025/26

Standard Charge for New Housing (up to 300m2 Floor Area including flats and maisonettes but not conversions)

No of Dwellings	Plan Fee	VAT	**Plan Total**	Inspect Fee	VAT	**Inspect Total**	Building Notice Fee	VAT	**Building Notice Total**
1	273.00	54.60	**£327.60**	760.00	152.00	**£912.00**	1,239.00	247.80	**£1,486.80**
2	360.00	72.00	**£432.00**	907.00	181.40	**£1,088.40**	1,521.00	304.20	**£1,825.20**
3	400.00	80.00	**£480.00**	1,064.00	212.80	**£1,276.80**	1,756.00	351.20	**£2,107.20**
4	478.00	95.60	**£573.60**	1,228.00	245.60	**£1,473.60**	2,047.00	409.40	**£2,456.40**
5	573.00	114.60	**£687.60**	1,405.00	281.00	**£1,686.00**	2,373.00	474.60	**£2,847.60**

Standard Charge for New Housing (Floor Area between 301m2 and 700m2)

	Plan Fee	VAT	**Plan Total**	Inspect Fee	VAT	**Inspect Total**	Building Notice Fee	VAT	**Building Notice Total**
Single Dwelling with Floor Area between 301m2 and 500m2	315.00	63.00	**£378.00**	860.00	172.00	**£1,032.00**	1,411.00	282.20	**£1,693.20**
Single Dwelling with Floor Area between 501m2 and 700m2	315.00	63.00	**£378.00**	1,109.00	221.80	**£1,330.80**	1,708.00	341.60	**£2,049.60**

Please note for more than 5 Dwelling or if the floor area of a dwelling exceeds 700m2 the charge is individually determined

All the above charges are on the basis that any controlled electrical work is carried out by a person who is a member of a registered competent person scheme, if this is not the case an additional charge may apply

Building Control - Table A

New Build - Houses 2026/27

Standard Charge for New Housing (up to 300m2 Floor Area including flats and maisonettes but not conversions)

No of Dwellings	Plan Fee	VAT	**Plan Total**	Inspect Fee	VAT	**Inspect Total**	Building Notice Fee	VAT	**Building Notice Total**
1	285.00	57.00	**£342.00**	790.00	158.00	**£948.00**	1,285.00	257.00	**£1,542.00**
2	375.00	75.00	**£450.00**	940.00	188.00	**£1,128.00**	1,575.00	315.00	**£1,890.00**
3	415.00	83.00	**£498.00**	1,105.00	221.00	**£1,326.00**	1,820.00	364.00	**£2,184.00**
4	495.00	99.00	**£594.00**	1,275.00	255.00	**£1,530.00**	2,120.00	424.00	**£2,544.00**
5	595.00	119.00	**£714.00**	1,455.00	291.00	**£1,746.00**	2,460.00	492.00	**£2,952.00**

Standard Charge for New Housing (Floor Area between 301m2 and 700m2)

	Plan Fee	VAT	**Plan Total**	Inspect Fee	VAT	**Inspect Total**	Building Notice Fee	VAT	**Building Notice Total**
Single Dwelling with Floor Area between 301m2 and 500m2	330.00	66.00	**£396.00**	895.00	179.00	**£1,074.00**	1,465.00	293.00	**£1,758.00**
Single Dwelling with Floor Area between 501m2 and 700m2	330.00	66.00	**£396.00**	1,150.00	230.00	**£1,380.00**	1,770.00	354.00	**£2,124.00**

Please note for more than 5 Dwelling or if the floor area of a dwelling exceeds 700m2 the charge is individually determined

All the above charges are on the basis that any controlled electrical work is carried out by a person who is a member of a registered competent person scheme, if this is not the case an additional charge may apply

Building Control - Table B

Charges for small buildings, extensions and alterations to dwellings 2025/26
Valid for applications received between 01/04/2025 & 31/03/2026

Proposal	Plan Fee	VAT	Plan Total	Inspect Fee	VAT	Inspect Total	Building Notice Fee	VAT	Building Notice Total
Category 1: Extensions to Dwellings									
Extension Internal Floor area not exceeding 10m2	175.00	35.00	**£210.00**	207.00	41.40	**£248.40**	459.00	91.80	**£550.80**
Extension Internal Floor Area over 10m2 but not exceeding 40m2	175.00	35.00	**£210.00**	383.00	76.60	**£459.60**	669.00	133.80	**£802.80**
Extension Internal Floor Area over 40m2 but not exceeding 60m2	175.00	35.00	**£210.00**	538.00	107.60	**£645.60**	856.00	171.20	**£1,027.20**
Extension - Internal Floor Area over 60m2 but not exceeding 80m2	175.00	35.00	**£210.00**	694.00	138.80	**£832.80**	1043.00	208.60	**£1,251.60**
Category 2 - Garages & Carports Erection or Extension of a detached or attached building or extension to a dwelling									
Which consists of a garage, carport or both; having a floor area not exceeding 40m2 in total and is intended to be used in common with an existing building	294.00	58.80	**£352.80**	inc	inc	**inc**	354.00	70.80	**£424.80**
The conversion of an attached garage into a habitable room	261.00	52.20	**£313.20**	inc	inc	**inc**	312.00	62.40	**£374.40**
Where the Garage extension exceeds a floor area of **40m2** but does not exceed 60m2	424.00	84.80	**£508.80**	inc	inc	**inc**	508.00	101.60	**£609.60**
Category 3: Loft Conversation and Dormers Formation of a room in a roof space, including means of access thereto. Fees for lofts greater than 40m2 are to be based on the cost of work. The Fee cannot be less than shown below									
Without a dormer but not exceeding 40m2 in floor area	175.00	35.00	**£210.00**	216.00	43.20	**£259.20**	470.00	94.00	**£564.00**
With a dormer but not exceeding 40m2 in floor area	175.00	35.00	**£210.00**	344.00	68.80	**£412.80**	622.00	124.40	**£746.40**

Where the extension to the dwelling exceeds 80m2 in floor area, the charge is based on the estimated cost in Table E, subject to the sum of the plan charge and inspection charge being not less than **£1057.50** (excluding VAT). The total estimated cost of the work must therefore be at least **£75,001.**

Note: All the above charges are on the basis that any controlled electrical work is carried out by a person who is a member of a registered Competent Person Scheme, if this is not the case an additional charge may apply.

Building Control - Table B

Charges for small buildings, extensions and alterations to dwellings 2026/27
Valid for applications received between 01/04/2026 & 31/03/2027

Proposal	Plan Fee	VAT	Plan Total	Inspect Fee	VAT	Inspect Total	Building Notice Fee	VAT	Building Notice Total
Category 1: Extensions to Dwellings									
Extension Internal Floor area not exceeding 10m2	208.33	41.67	**£250.00**	191.67	38.33	**£230.00**	480.00	96.00	**£576.00**
Extension Internal Floor Area over 10m2 but not exceeding 40m2	208.33	41.67	**£250.00**	376.67	75.33	**£452.00**	695.00	139.00	**£834.00**
Extension Internal Floor Area over 40m2 but not exceeding 60m2	208.33	41.67	**£250.00**	536.67	107.33	**£644.00**	890.00	178.00	**£1,068.00**
Extension - Internal Floor Area over 60m2 but not exceeding 80m2	208.33	41.67	**£250.00**	696.67	139.33	**£836.00**	1,080.00	216.00	**£1,296.00**
Category 2 - Garages & Carports Erection or Extension of a detached or attached building or extension to a dwelling									
Which consists of a garage, carport or both; having a floor area not exceeding 40m2 in total and is intended to be used in common with an existing building	305.00	61.00	**£366.00**	inc	inc	**inc**	370.00	74.00	**£444.00**
The conversion of an attached garage into a habitable room	275.00	55.00	**£330.00**	inc	inc	**inc**	325.00	65.00	**£390.00**
Where the Garage extension exceeds a floor area of **40m2** but does not exceed 60m2	440.00	88.00	**£528.00**	inc	inc	**inc**	530.00	106.00	**£636.00**
Category 3: Loft Conversation and Dormers Formation of a room in a roof space, including means of access thereto. Fees for lofts greater than 40m2 are to be based on the cost of work. The Fee cannot be less than shown below									
Without a dormer but not exceeding 40m2 in floor area	208.33	41.67	**£250.00**	201.67	40.33	**£242.00**	490.00	98.00	**£588.00**
With a dormer but not exceeding 40m2 in floor area	208.33	41.67	**£250.00**	336.67	67.33	**£404.00**	645.00	129.00	**£774.00**

Where the extension to the dwelling exceeds 80m2 in floor area, the charge is based on the estimated cost in Table E, subject to the sum of the plan charge and inspection charge being not less than **£1057.50** (excluding VAT). The total estimated cost of the work must therefore be at least **£75,001.**

Note: All the above charges are on the basis that any controlled electrical work is carried out by a person who is a member of a registered Competent Person Scheme, if this is not the case an additional charge may apply.

Building Control - Table C

Standard Charges for Alterations to Dwellings 2025/26

Proposal	Plan Fee	VAT	Plan Total	Inspect Fee	VAT	Inspect Total	Building Notice Fee	VAT	Building Notice Total	Regularisation
1A. **Installation of Replacement windows and doors** in a dwelling where the number of windows / doors does not exceed 20							81.00	16.20	**£97.20**	
1B. **Installation of Replacement windows and doors** in a dwelling where the number of windows / doors does not exceed 20 (retrospective)								0.00		**128.00**
2. **Underpinning** with a total cost not exceeding £30,000	296.00	59.20	**£355.20**	inc	inc	**inc**	355.00	71.00	**£426.00**	
3. **Controlled Electrical Work** to a single dwelling (not carried out in conjunction with work being undertaken that falls within Table B)	263.00	52.60	**£315.60**	inc	inc	**inc**	316.00	63.20	**£379.20**	
4A. **Renovation of a thermal element** i.e. Work involving recovering of a roof, replacement of a floor or renovation of an external wall to which L 1b applies. (retrospective)							123.00	24.60	**£147.60**	**187.00**
4B. **Renovation of a thermal element** Replacement Conservatory Roof	POA						POA			
5. **Formation of a single en suite bathroom / shower room or cloakroom within an existing dwelling** (excluding electrical work)	254.00	50.80	**£304.80**	inc	inc	**inc**	305.00	61.00	**£366.00**	**429.00**
6. **Removal or partial removal of chimney breast** (accompanied by Structural Engineering Details)	159.00	31.80	**£190.80**				159.00	31.80	**£190.80**	**229.00**
7. **Installation of New or Replacement Sewage Treatment Plant and associated discharge**	244.00	48.80	**£292.80**			**inc**	293.00	58.60	**£351.60**	**422.00**
8. **Removal of wall and insertion of one or two steel beams maximum span 4 metres** (accompanied by Structural Engineering Details)	159.00	31.80	**£190.80**				159.00	31.80	**£190.80**	**229.00**
9. **Structural Alterations not supported by Structural Calculations to be individually assessed (Calculations may still be required)**						**inc**	POA			
10. **The insertion of insulating material in a cavity wall of an existing property***							82.00	16.40	**£98.40**	
11. **Installation of a multi fuel appliance including associated Flue liner and hearth*** to a single dwelling							292.00	58.4	**£350.40**	**420.00**

* Not carried out under a Competent Person Scheme

Where it is intended to carry out additional work internally within a dwelling at the same time as undertaking alterations as defined in Table C then the charge for all of the internal work (including work as defined in table C) may be assessed using the total estimated cost of work as set out in table E. All other work within dwellings will be charged as set out in Table E.

Building Control - Table C

Standard Charges for Alterations to Dwellings 2026/27

Proposal	Plan Fee	VAT	Plan Total	Inspect Fee	VAT	Inspect Total	Building Notice Fee	VAT	Building Notice Total	Regularisation
1A. **Installation of Replacement windows and doors** in a dwelling where the number of windows / doors does not exceed 20							85.00	17.00	**£102.00**	
1B. **Installation of Replacement windows and doors** in a dwelling where the number of windows / doors does not exceed 20 (retrospective)								0.00		**134.00**
2. **Underpinning** with a total cost not exceeding £30,000	310.00	62.00	**£372.00**	inc	inc	**inc**	367.00	73.40	**£440.40**	
3. **Controlled Electrical Work** to a single dwelling (not carried out in conjunction with work being undertaken that falls within Table B)	275.00	55.00	**£330.00**	inc	inc	**inc**	327.00	65.40	**£392.40**	
4A. **Renovation of a thermal element** i.e. Work involving recovering of a roof, replacement of a floor or renovation of an external wall to which L 1b applies. (retrospective)							127.00	25.40	**£152.40**	**196.00**
4B. **Renovation of a thermal element** Replacement Conservatory Roof	POA						POA			
5. **Formation of a single en suite bathroom / shower room or cloakroom within an existing dwelling** (excluding electrical work)	265.00	53.00	**£318.00**	inc	inc	**inc**	316.00	63.20	**£379.20**	**450.00**
6. **Removal or partial removal of chimney breast** (accompanied by Structural Engineering Details)	165.00	33.00	**£198.00**				165.00	33.00	**£198.00**	**240.00**
7. **Installation of New or Replacement Sewage Treatment Plant and associated discharge**	255.00	51.00	**£306.00**			**inc**	303.00	60.60	**£363.60**	**443.00**
8. **Removal of wall and insertion of one or two steel beams maximum span 4 metres** (accompanied by Structural Engineering Details)	165.00	33.00	**£198.00**				165.00	33.00	**£198.00**	**240.00**
9. **Structural Alterations not supported by Structural Calculations to be individually assessed (Calculations may still be required)**						**inc**	POA			
10. **The insertion of insulating material in a cavity wall of an existing property***							85.00	17.00	**£102.00**	
11. **Installation of a multi fuel appliance including associated Flue liner and hearth*** to a single dwelling							305.00	61	**£366.00**	**441.00**

* Not carried out under a Competent Person Scheme

Where it is intended to carry out additional work internally within a dwelling at the same time as undertaking alterations as defined in Table C then the charge for all of the internal work (including work as defined in table C) may be assessed using the total estimated cost of work as set out in table E. All other work within dwellings will be charged as set out in Table E.

Building Control - Table D

Extensions and New Build - Other than to Dwellings 2025/26

(i.e. Shops, Offices, industrial, hotels, storage, assembly etc.)

Note - must be submitted as a full plans application (other than application for replacement windows)

Category of Work	Proposal	Plan Fee	VAT	Plan Total	Inspect Fee	VAT	Inspect Total
1	Internal Floor Area not exceeding 6**m2**	386.00	77.20	**£463.20**	inc	inc	**inc**
2	Internal Floor Area over 6**m2** but not exceeding **40m2**	182.00	36.40	**£218.40**	377.00	75.40	**£452.40**
3	Internal Floor Area over **40m2** but not exceeding **80m2**	182.00	36.40	**£218.40**	586.00	117.20	**£703.20**
4	**Shop fit** out not exceeding a value of £50,000	375.00	75.00	**£450.00**	inc	inc	**inc**
5	**Replacement Windows**						
	a - not exceeding 10 windows	140.00	28.00	**£168.00**	Inc	Inc	**inc**
	b - between 11 - 20 windows	249.00	49.80	**£298.80**	Inc	Inc	**inc**

Building Control - Table D

Extensions and New Build - Other than to Dwellings 2026/27

(i.e. Shops, Offices, industrial, hotels, storage, assembly etc.)

Note - must be submitted as a full plans application (other than application for replacement windows)

Category of Work	Proposal	Plan Fee	VAT	Plan Total	Inspect Fee	VAT	Inspect Total
1	Internal Floor Area not exceeding 6**m2**	400.00	80.00	**£480.00**	inc	inc	**inc**
2	Internal Floor Area over 6**m2** but not exceeding **40m2**	190.00	38.00	**£228.00**	395.00	79.00	**£474.00**
3	Internal Floor Area over **40m2** but not exceeding **80m2**	190.00	38.00	**£228.00**	610.00	122.00	**£732.00**
4	**Shop fit** out not exceeding a value of £50,000	390.00	78.00	**£468.00**	inc	inc	**inc**
5	**Replacement Windows**						
	a - not exceeding 10 windows	145.00	29.00	**£174.00**	Inc	Inc	**inc**
	b - between 11 - 20 windows	260.00	52.00	**£312.00**	Inc	Inc	**inc**

<u>Building Control - Table E</u>

Standard Charges for all work not in Tables A,B,C & D for 2025/26
(excludes individually determined charges)

Estimated Cost										
From	To	Plan Fee	VAT	**Plan Total**	Inspect Fee	VAT	**Inspect Total**	Building Notice Fee	VAT	**Building Notice Total**
0	1000	133.00	26.60	**£159.60**	inc	inc	**inc**	159.00	31.80	**£190.80**
1,001	2,000	254.00	50.80	**£304.80**	inc	inc	**inc**	305.00	61.00	**£366.00**
2,001	5,000	275.00	55.00	**£330.00**	inc	inc	**inc**	330.00	66.00	**£396.00**
5,001	7,000	305.00	61.00	**£366.00**	inc	inc	**inc**	365.00	73.00	**£438.00**
7,001	10,000	341.00	68.20	**£409.20**	inc	inc	**inc**	410.00	82.00	**£492.00**
10,001	20,000	422.00	84.40	**£506.40**	inc	inc	**inc**	507.00	101.40	**£608.40**
20,001	30,000	182.00	36.40	**£218.40**	368.00	73.60	**£441.60**	659.00	131.80	**£790.80**
30,001	40,000	249.00	49.80	**£298.80**	405.00	81.00	**£486.00**	785.00	157.00	**£942.00**
40,001	50,000	302.00	60.40	**£362.40**	488.00	97.60	**£585.60**	949.00	189.80	**£1,138.80**
50,001	75,000	355.00	71.00	**£426.00**	595.00	119.00	**£714.00**	1,145.00	229.00	**£1,374.00**
75,001	100,000	405.00	81.00	**£486.00**	750.00	150.00	**£900.00**	1,386.00	277.20	**£1,663.20**
100,001	150,000	453.00	90.60	**£543.60**	863.00	172.60	**£1,035.60**	1,579.00	315.80	**£1,894.80**
150,001	200,000	501.00	100.20	**£601.20**	976.00	195.20	**£1,171.20**	1,771.00	354.20	**£2,125.20**
200,001	250,000	549.00	109.80	**£658.80**	1089.00	217.80	**£1,306.80**	1,964.00	392.80	**£2,356.80**

Where it is intended to carry out additional work on a dwelling at the same time as undertaking an extension within table B, then the charge for this additional work (as indicated in Table E) shall be discounted by 50%, subject to a maximum estimated cost of less than £10,000

Note: In respect of domestic work the above charges are on the basis that any controlled electrical work is carried out by a person who is a member of a registered Competent Person Scheme, if this is not the case an additional charge may apply.

Where the estimated cost of work exceeds £250,000 the charge will be individually assessed by Rossendale Borough Council Building Control Services.

<u>Building Control - Table E</u>

Standard Charges for all work not in Tables A,B,C & D for 2026/27
(excludes individually determined charges)

Estimated Cost										
From	To	Plan Fee	VAT	**Plan Total**	Inspect Fee	VAT	**Inspect Total**	Building Notice Fee	VAT	**Building Notice Total**
0	1000	140.00	28.00	**£168.00**	inc	inc	**inc**	165.00	33.00	**£198.00**
1,001	2,000	265.00	53.00	**£318.00**	inc	inc	**inc**	320.00	64.00	**£384.00**
2,001	5,000	285.00	57.00	**£342.00**	inc	inc	**inc**	345.00	69.00	**£414.00**
5,001	7,000	320.00	64.00	**£384.00**	inc	inc	**inc**	380.00	76.00	**£456.00**
7,001	10,000	355.00	71.00	**£426.00**	inc	inc	**inc**	425.00	85.00	**£510.00**
10,001	20,000	440.00	88.00	**£528.00**	inc	inc	**inc**	525.00	105.00	**£630.00**
20,001	30,000	190.00	38.00	**£228.00**	385.00	77.00	**£462.00**	685.00	137.00	**£822.00**
30,001	40,000	260.00	52.00	**£312.00**	420.00	84.00	**£504.00**	815.00	163.00	**£978.00**
40,001	50,000	315.00	63.00	**£378.00**	510.00	102.00	**£612.00**	985.00	197.00	**£1,182.00**
50,001	75,000	370.00	74.00	**£444.00**	620.00	124.00	**£744.00**	1,190.00	238.00	**£1,428.00**
75,001	100,000	420.00	84.00	**£504.00**	780.00	156.00	**£936.00**	1,435.00	287.00	**£1,722.00**
100,001	150,000	470.00	94.00	**£564.00**	895.00	179.00	**£1,074.00**	1,635.00	327.00	**£1,962.00**
150,001	200,000	520.00	104.00	**£624.00**	1015.00	203.00	**£1,218.00**	1,835.00	367.00	**£2,202.00**
200,001	250,000	570.00	114.00	**£684.00**	1130.00	226.00	**£1,356.00**	2,035.00	407.00	**£2,442.00**

Where it is intended to carry out additional work on a dwelling at the same time as undertaking an extension within table B, then the charge for this additional work (as indicated in Table E) shall be discounted by 50%, subject to a maximum estimated cost of less than £10,000

Note: In respect of domestic work the above charges are on the basis that any controlled electrical work is carried out by a person who is a member of a registered Competent Person Scheme, if this is not the case an additional charge may apply.

Where the estimated cost of work exceeds £250,000 the charge will be individually assessed by Rossendale Borough Council Building Control Services.

Building Control - Table F

Demolition - 2025/26

Category of Work	Proposal	VAT Exempt Fee
1	Application to demolish existing property under Section 80 of the Buildings Act 1984 & issuing the counter notice under Section 81 of the Building Act 1984.	FOC

Building Control - Table F

Demolition - 2026/27

Category of Work	Proposal	VAT Exempt Fee
1	Application to demolish existing property under Section 80 of the Buildings Act 1984 & issuing the counter notice under Section 81 of the Building Act 1984.	£75.00

Building Control - Table G

Other Charges - 2025/26

Category of Work	Proposal	Net	VAT	Gross Fee
1	Copy of Decision Notice or Completion Certificates (within the past 3 years)	27.00	5.40	£32.40
2	Additional copy from same file.	7.00	1.40	£8.40
3	Re- opening of archived applications (Charge per Hour - minimum 1 hour £80.00) plus decision notice and completion certificate	72.00	14.40	£86.40
4	Re- opening of archived applications (Charge per Hour - minimum 1 hour £80.00) plus decision notice and completion certificate	101.00	20.20	£121.20
5	Withdrawal of an application and any associated charges (Charge per Hour - minimum 1 hour £80.00)	72.00	14.40	£86.40
6	Building Regulation Confirmation letter	72.00	14.40	£86.40
7	Change of applicants details on valid application (New)	72.00	14.40	£86.40
8	Supply of non-standard data and information, including responding to solicitors enquiries (Charge per Hour - minimum 1 hour £80.00)	72.00	14.40	£86.40
9	Pre Application site visit discountably against full application	72.00	14.40	£86.40
10	Exemption Certificate (Charged per Hour - minimum 1 hour £80.00) additional charges for site visits.	72.00	14.40	£86.40

Building Control - Table G

Other Charges - 2026/27

Category of Work	Proposal	Net	VAT	Gross Fee
1	Copy of Decision Notice or Completion Certificates (within the past 3 years)	30.00	6.00	£36.00
2	Additional copy from same file.	10.00	2.00	£12.00
3	Re- opening of archived applications (Charge per Hour - minimum 1 hour £80.00) plus decision notice and completion certificate	75.00	15.00	£90.00
4	Re- opening of archived applications (Charge per Hour - minimum 1 hour £80.00) plus decision notice and completion certificate	105.00	21.00	£126.00
5	Withdrawal of an application and any associated charges (Charge per Hour - minimum 1 hour £80.00)	75.00	15.00	£90.00
6	Building Regulation Confirmation letter	75.00	15.00	£90.00
7	Change of applicants details on valid application (New)	75.00	15.00	£90.00
8	Supply of non-standard data and information, including responding to solicitors enquiries (Charge per Hour - minimum 1 hour £80.00)	75.00	15.00	£90.00
9	Pre Application site visit discountably against full application	75.00	15.00	£90.00
10	Exemption Certificate (Charged per Hour - minimum 1 hour £80.00) additional charges for site visits.	75.00	15.00	£90.00

Street Naming & Numbering

Existing Properties	2025/26 Charge	2026/27 Charge
Individual House Name / Individual House re-name or re-number	£82	£85
Conversions of existing Properties into multiples	£131 up to a maximum of 4 units; additional Units £26 per unit	£140 up to a maximum of 4 units; additional Units £30 per unit

Newbuild / Conversion to a property	2025/26 Charge	2026/27 Charge
Development of 10 plots or less	£82 per plot up to a maximum of £315	£85 per plot up to a maximum of £330
Development of 11 plots or more	Charges individually assessed	Charges individually assessed
Additional charge, where this includes the naming of a street	£131	£140
Additional charge, where this includes the naming of a building (e.g. block of flats)	£131	£140

Local Land Charges

	2025/26 Charge			2026/27 Charge		
	Fee	VAT	TOTAL	Fee	VAT	TOTAL
Offical Search / Enquiries / Con29R form / LLC1	£85.00	£17.00	£132.00	£85.00	£17.00	£132.00
	£30.00	£0.00	£30.00	£30.00	£0.00	£30.00
Con 29R - Each additional parcel of land	£25.00	£5.00	£30.00	£25.00	£5.00	£30.00
Offical Search - LLC1	£30.00	£0.00	£30.00	£30.00	£0.00	£30.00
Supplementary Questions Con 29O *	£20.00	£4.00	£24.00	£20.00	£4.00	£24.00
Supplementary Question Con 29O (Question 22) *	£27.00	£5.40	£32.40	£27.00	£5.40	£32.40
Each additional Enquiry	£25.00	£5.00	£30.00	£25.00	£5.00	£30.00

Legal Services

	2025/26 Charge			2026/27 Charge		
	Net	VAT	Gross	Net	VAT	Gross
Sales of land and property and freehold reversion						
Up to £5,000			£630.00			£655.00
£5001 - £15,000			£840.00			£870.00
£15,001 - £100,000			£1,890.00			£1,960.00
Leases and Licences						
Industrial Unit Lease			£420.00			£435.00
Industrial Unit Licence			£263.00			£275.00
Garden/Garage Tenancy			£368.00			£385.00
Wayleave/Easement			£578.00			£600.00
Commercial Lease			£893.00			£925.00
Notice of Assignment			£100.00			£105.00
Agricultural Tenancy			£420.00			£435.00
Agricultural Tenancy Renewal			£315.00			£330.00
Lease Renewal			£315.00			£330.00
Deed of Variation/Surrender/Release			£420.00			£435.00
Allotmnet Agreement			£0.00			£100.00
S106 Agreements						
Preparation			£1,838.00			£1,905.00
Checking Fee			£840.00			£870.00
Deed of Variations			£1,050.00			£1,090.00
Footpath Diversions			£3,150.00			£3,265.00
+ any disbursements (assuming unopposed)						
Commercial Road Closures under TPCA			£158.00			£165.00
Commercial Event Licences			£315.00			£330.00
Misc' Commercial Licence			£420.00			£435.00

Propery Services

	2025/26 Charge Net	VAT	Gross	2026/27 Charge Net	VAT	Gross
Garage sites (adopted TH sites wll be held at current rate for a period of 12 months)	£200.00	£40.00	**£240.00**	£210.00	£42.00	**£252.00**
Departure Charge (Rawtenstall Bus Terminal, Bacup Road)	**87.00 p**			**87.00 p**		
Garden Licences (a garden must be formed of land adjoining the applicants property and must be no larger than 195m2. De-minimis rental applies at £100 per annum)						
Rental £1.50 per sq.m						
Information regarding industrial units or managed offices have not been included due to the sensitivity of individual pricing						
Garage bond scheme to be introduced to all new and renewing tenancies from 01/04/20						

Valuation Services Residential	2025/26 Net	VAT	Gross	2025/26 Net	VAT	Gross
Band A (£1,000 - £5,000)	£334.00	£66.80	**£400.80**	£350.00	£70.00	**£420.00**
Band B (£5001 - £15,000)	£334.00	£66.80	**£400.80**	£350.00	£70.00	**£420.00**
Band C (£15,001 - £25,000)	£357.00	£71.40	**£428.40**	£370.00	£74.00	**£444.00**
Band D (£5,001 - £50,000)	£357.00	£71.40	**£428.40**	£370.00	£74.00	**£444.00**
Band E (£50,001 - £100,000)	£383.00	£76.60	**£459.60**	£400.00	£80.00	**£480.00**
Band F (£100,001 +)	£509.00	£101.80	**£610.80**	£530.00	£106.00	**£636.00**
Minimum rental fee of £200 per annum. Minimum purchase value of £1000. Valuations on a price banding basis based on						

Valuation Services Commercial	2025/26 Net	VAT	Gross	2025/26 Net	VAT	Gross
Band A (£1,000 - £5,000)	£294.00	£58.80	**£352.80**	£305.00	£61.00	**£366.00**
Band B (£5001 - £15,000)	£294.00	£58.80	**£352.80**	£305.00	£61.00	**£366.00**
Band C (£15,001 - £25,000)	£294.00	£58.80	**£352.80**	£305.00	£61.00	**£366.00**
Band D (£5,001 - £50,000)	£294.00	£58.80	**£352.80**	£305.00	£61.00	**£366.00**
Band E (£50,001 - £100,000)	£352.00	£70.40	**£422.40**	£365.00	£73.00	**£438.00**
Band F (£100,001 +)	£352.00	£70.40	**£422.40**	£365.00	£73.00	**£438.00**
	Min net fee of £210			Min net fee of £210		
Minimum rental fee of £200 per annum. Minimum purhcase value of £1000. Valuations on a price banding basis based on						

	2025/26 Net	VAT	Gross	2025/26 Net	VAT	Gross
Application to Purchase/Lease/Rent	£131.00	£26.20	**£157.20**	£140.00	£28.00	**£168.00**
Charity / CIC Application to Purchase/Lease/Rent	£12.00	£2.40	**£14.40**	£15.00	£3.00	**£18.00**
Licence / Lease Instruction Fee	£74.00	£14.80	**£88.80**	£80.00	£16.00	**£96.00**
Charity Licence / Lease Instruction Fee	£11.00	£2.20	**£13.20**	£15.00	£3.00	**£18.00**
Estates Administration Fee	£32.00	£6.40	**£38.40**	£35.00	£7.00	**£42.00**
Allotments						
Tenancy agreement	£27.00	£0.00	**£27.00**	£30.00	£0.00	**£30.00**
pr sq. m.	£0.39	£0.00	**£0.39**	£5.00	£0.00	**£5.00**
Minimum fee of £50 per annum						

Room hire at the Business Centre **Room**	**Seats**	2025/26 Half Day	Full Day	Hot Drinks Facilities	2025/26 Half Day	Full Day	Hot Drinks Facilities
Small Meeting Room (104, 109, 113)	10	£63.00	£116.00	Not Included	£70.00	£120.00	Not Included
Boardroom (110, 210)	16	£105.00	£189.00	Included	£110.00	£196.00	Included
Council Chamber	Numbers upon Request	£189.00	£315.00	Included	£200.00	£326.00	Included
Training Room (IT Use)	9	£131.00	£210.00	Included	£140.00	£217.00	Included
Small Meeting Room	4	£53.00	£89.00	Not Included	£55.00	£92.00	Not Included

ROSSENDALE BOROUGH COUNCIL

Revenue & Capital Budget Book 2026/27

To be presented to Full Council on 4th March 2026

Effective and Efficient Council

Summary of Revenue Budget 2026/27

General Fund Summary

Service	2025/26 Revised Estimate	In Year Virements	2025/26 Revised Baseline	Changes within 2025/26: Staff Costs	Other Inflation	Income Savings	Volume/ Technical Changes	2026/27 Original Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Communities Directorate								
Operational Functions	2,707	0	2,707	632	1	0	381	3,721
Parks & Open Spaces	1,007	0	1,007	157	1	0	485	1,649
Environmental Health / PPU unit	534	30	504	31	3	0	9	546
Licensing & Enforcement	6	(30)	37	(6)	0	0	2	33
	4,254	**0**	**4,254**	**813**	**5**	**0**	**877**	**5,949**
Economic Development Directorate								
Planning Services	455	0	455	31	1	0	(45)	442
Building Control Services	13	0	13	(3)	0	0	(5)	6
Housing and Regeneration Service	531	(5)	536	(138)	0	0	783	1,181
Property Services	245	0	245	51	29	(79)	139	385
Communities	188	5	183	77	0	0	70	330
Climate Change	2	0	2	(57)	0	0	102	46
	1,434	**0**	**1,434**	**(39)**	**30**	**(79)**	**1,044**	**2,390**
Corporate Services								
Legal Services	202	0	202	(4)	0	0	(0)	198
Local Land Charges	20	0	20	(2)	0	0	(0)	19
Customer Services	1,865	0	1,865	(12)	84	0	63	1,999
Democratic Services	617	0	617	(20)	5	0	7	609
Corporate Management	555	0	555	(88)	0	0	118	585
Financial Services	589	0	589	13	0	0	217	819
People & Policy	946	(0)	946	19	0	0	13	977
Non-Distributed Costs	235	0	235	0	0	(100)	(157)	(22)
Capital Financing and Interest	819	0	819	0	0	0	196	1,015
Local Government Reorganisation	0	0	0	0	0	0	313	313
	5,848	**(0)**	**5,848**	**(95)**	**89**	**(100)**	**770**	**6,512**
Total General Fund	**11,535**	**(0)**	**11,535**	**679**	**124**	**(179)**	**2,692**	**14,851**
Funded by								
Revenue Support Grant	93							0
NNDR (Business rates baseline share)	2,436							4,931
New Homes Bonus	141							0
Collection Fund Surplus - Council Tax	126							0
Collection Fund Surplus - Business Rates	0							0
NNDR Growth/Pooling	500							0
Homelessness/Rough Sleeping	0							397
Extended Producer Responsibilities	649							730
Recovery Grant	297							297
Contribution from Reserves	574							1,511
Council Tax Requirement	**6,719**							**6,985**
Number of Band D Equivalent Properties	**21,152**							**21,350**
Council Tax at Band D (excluding Whitworth)	**£317.66**						**2.99%**	**£327.16**

Revenue Budget 2026/27

Communities Directorate

Service	2025/26 Revised Estimate	In Year Virements	2025/26 Revised Baseline	Changes within 2025/26: Staff Costs	Other Inflation	Income Savings	Volume/ Technical Changes	2026/27 Original Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Operational Functions								
Operations & Fleet Management	572	0	572	(90)	0	0	12	495
Refuse & Recycling	1,768	0	1,768	728	0	0	301	2,797
Street Sweeping	354	0	354	(6)	0	0	74	422
Town Centre Caretaker	12	0	12	0	0	0	(5)	7
	2,707	**0**	**2,707**	**632**	**1**	**0**	**381**	**3,721**
Parks								
Cemeteries	138	153	(14)	(6)	1	0	484	465
Parks	26	0	26	0	0	0	6	32
Parks & Open Spaces	816	(157)	973	163	0	0	(32)	1,103
Playing Fields (Sports Facilities)	27	4	23	0	0	0	27	49
	1,007	**0**	**1,007**	**157**	**1**	**0**	**485**	**1,649**
Environmental Health	**534**	**30**	**504**	**31**	**3**	**0**	**9**	**546**
Licensing and Enforcement	**6**	**(30)**	**37**	**(6)**	**0**	**0**	**2**	**33**
Communities Directorate Total	**4,254**	**0**	**4,254**	**813**	**5**	**0**	**877**	**5,949**

Revenue Budget 2026/27

Economic Development Directorate

Service	2025/26 Revised Estimate	In Year Virements	2025/26 Revised Baseline	Changes within 2025/26 Staff Costs	Other Inflation	Income Savings	Volume/ Technical Changes	2026/27 Original Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Planning								
Development Control	286	0	286	31	1	0	(44)	273
Forward Planning	169	0	169	(0)	1	0	(1)	168
	455	**0**	**455**	**31**	**1**	**0**	**(45)**	**442**
Building Control								
Fee Earning	(26)	0	(26)	(2)	0	0	(3)	(32)
Statutory Function	36	0	36	(1)	0	0	(1)	35
Street Signs	4	0	4	0	0	0	(1)	3
	13	**0**	**13**	**(3)**	**0**	**0**	**(5)**	**6**
Regeneration								
Economic Regeneration	197	(5)	202	(175)	0	0	318	345
Museum	34	0	34	0	0	0	(34)	0
	231	**(5)**	**236**	**(175)**	**0**	**0**	**284**	**345**
Housing								
Homelessness	247	0	247	32	0	0	501	780
Housing Strategy	42	0	42	(1)	0	0	(0)	40
Private Sector renewals	11	0	11	6	0	0	(1)	16
	300	**0**	**299**	**37**	**0**	**0**	**500**	**836**
Property Services								
Allotments	(2)	0	(2)	0	0	(4)	4	(2)
Bus Shelters / Station	117	0	117	0	4	0	30	151
Business Centre	137	0	137	0	5	(35)	5	111
Car Parks	68	0	68	0	2	0	(0)	70
Corporate Estates	(498)	0	(498)	9	1	0	(36)	(523)
Council Offices	(17)	0	(17)	0	1	0	(18)	(34)
Courier	4	0	4	0	0	0	0	4
Depots	86	0	86	0	2	(20)	18	86
Facilities Management	29	0	29	0	0	0	(10)	19
Land Drainage	16	0	16	0	1	0	4	21
Markets	20	0	20	43	0	(20)	65	109
Museums	0	0	0	0	0	0	62	62
Public Baths	14	0	14	0	0	0	2	16
Public Clocks & Memorials	10	0	10	(1)	0	0	0	10
Public Conveniences	3	0	3	0	0	0	0	4
Public Halls	28	0	28	0	0	0	4	33
Sports Facilities	27	0	27	0	0	0	2	30
Sports Grounds	161	0	161	0	12	0	(0)	173
Xmas Lights	40	0	40	0	0	0	5	45
	245	**0**	**245**	**51**	**29**	**(79)**	**139**	**385**
Communities								
Area Forums	15	0	15	0	0	0	0	15
Regeneration Management	173	5	168	77	0	0	70	315
	188	**5**	**183**	**77**	**0**	**0**	**70**	**330**
Climate Change	**2**	**0**	**2**	**(57)**	**0**	**0**	**102**	**46**
Economic Development Directorate Total	**1,434**	**0**	**1,434**	**(39)**	**30**	**(79)**	**1,044**	**2,390**

Revenue Budget 2026/27

Corporate Directorate

Service	2025/26 Revised Estimate	In Year Virements	2025/26 Revised Baseline	Changes within 2025/26: Staff Costs	Other Inflation	Savings	Volume/ Technical Changes	2026/27 Original Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Legal Services	**202**	**0**	**202**	**(4)**	**0**	**0**	**(0)**	**198**
Local Land Charges	**20**	**0**	**20**	**(2)**	**0**	**0**	**(0)**	**19**
Customer Services								
Benefits Administration	(114)	0	(114)	0	4	0	1	(110)
Benefits Granted	(122)	0	(122)	0	0	0	(75)	(197)
Central Printing	0	0	0	0	0	0	0	0
Concessionary Travel	0	0	0	0	0	0	0	0
Customer Services Management	87	0	87	(3)	0	0	(0)	84
E-Government (ICT Support)	938	0	938	(5)	20	0	135	1,088
One Stop Shop	5	0	5	0	0	0	1	6
Revenues Collection	(251)	0	(251)	0	0	0	0	(251)
Revs & Bens Partnership	1,200	0	1,200	0	60	0	0	1,260
Service Assurance Team	123	0	123	(5)	0	0	1	119
	1,865	**0**	**1,865**	**(12)**	**84**	**0**	**63**	**1,999**
Democratic Services								
Democratic Support	143	0	143	(3)	0	0	(0)	140
Direct Member Costs (including allowances)	203	0	203	0	5	0	5	213
Elections	90	0	90	(1)	0	0	0	89
Elections IER	0	0	0	0	0	0	0	0
Electoral Registration	97	0	97	(2)	0	0	(0)	95
Mayorality & Civic Events	82	0	82	(14)	0	0	3	70
Town Twinning	3	0	3	0	0	0	0	3
	617	**0**	**617**	**(20)**	**5**	**0**	**7**	**609**
Corporate Management								
Corporate Contingency	38	0	38	0	0	0	0	38
Executive Office	394	0	394	3	0	0	5	403
Executive Support	55	0	55	0	0	0	0	55
Empty Homes	101	0	101	(44)	0	0	(57)	0
Leisure Services	(32)	0	(32)	(48)	0	0	170	90
	555	**0**	**555**	**(88)**	**0**	**0**	**118**	**585**

Revenue Budget 2026/27

Corporate Directorate (Continued..)

Service	2025/26 Revised Estimate	In Year Virements	2025/26 Revised Baseline	Changes within 2025/26: Staff Costs	Other Inflation	Savings	Volume/ Technical Changes	2026/27 Original Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Finance								
Accountancy	196	0	196	16	0	0	209	421
Exchequer	129	0	129	(3)	0	0	(2)	123
Insurance & Risk / Internal Audit	65	0	65	0	0	0	0	65
Treasury Management	199	0	199	0	0	0	10	209
	589	**0**	**589**	**13**	**0**	**0**	**217**	**819**
People & Policy								
Corporate Support	348	(0)	348	(32)	0	0	0	316
People & Policy	598	0	598	51	0	0	12	661
Publicity & Tourism	0	0	0	0	0	0	0	0
	946	**(0)**	**946**	**19**	**0**	**0**	**13**	**977**
Non-Distributed Costs								
Other Non Distributed costs	35	0	35	0	0	0	0	35
Pension Costs	200	0	200	0	0	(100)	(157)	(57)
	235	**0**	**235**	**0**	**0**	**(100)**	**(157)**	**(22)**
Capital Financing								
Interest & Misc expenses	175	0	175	0	0	0	90	265
Capital Financing	644	0	644	0	0	0	106	750
Reversal of Capital Charges	0	0	0	0	0	0	0	0
	819	**0**	**819**	**0**	**0**	**0**	**196**	**1,015**
Local Government Reorganisation	**0**	**0**	**0**	**0**	**0**	**0**	**313**	**313**
Corporate Directorate Total	**5,848**	**(0)**	**5,848**	**(95)**	**89**	**(100)**	**770**	**6,512**

MTFS 2026/27

Schemes in Progress	2026/27 £'000	2027/28 £'000	Total 2026/27 - 2027/28 inc slippage £'000
Schemes			
Vehicles / Equipment	2,144	590	2,734
Wheeled & Litter Bins	60	60	120
Cemeteries	610	10	620
Pathways	20	20	40
General Building Renovations & Maintenance	490	200	690
Carbon Reduction Fund	100	-	100
Car Parks General	30	-	30
Leisure Facilities upgrades	2,500	-	2,500
Legacy Liabilities	400	65	465
Waste Transfer Station	6,200	-	6,200
Sub-total	**12,554**	**945**	**13,499**

Schemes funded wholly/partly by External Finance or Government Grants	2026/27 £'000	2027/28 £'000	Total 2026/27 - 2027/28 inc slippage £'000
DFG'S - Mandatory Grants	1,000	1,000	2,000
PSDS Marl Pits Decarbonisation	1,579	-	1,579
Haslingden 2040 NLHF	606	-	606
Football Pitches	1,237	-	1,237
Rossendale Capital Regeneration Project	11,347	-	11,347
Pride in Place (Long Term Plans for Towns)	360	1,737	2,097
Supported Accomodation	1,021	-	1,021
Sub-total	**17,150**	**2,737**	**19,887**
Total of Schemes in Progress	**29,704**	**3,682**	**33,386**

New Schemes or Schemes awaiting external funder approval	2026/27 £'000	2027/28 £'000	Total 2026/27 - 2027/28 inc slippage £'000
Total of Schemes in Progress	**29,704**	**3,682**	**33,386**
Stubbylee Hall	473	-	473
Total New Schemes	**473**	**-**	**473**

AGENDA ITEM: E2

Report Title:	Capital Programme 2026/27 – 2027/28 and Capital Strategy 2026/27				
Report to:	Cabinet		**Date:**	11th February 2026	
Report of:	Director of Resources		**Cabinet Portfolio**	Resources	
Cabinet Lead Member	Councillor Walmsley		**Wards Affected**	All	
Key Decision:	☒	Forward Plan ☒	General Exception ☐	Special Urgency ☐	
Integrated Impact Assessment:	Required:	No	Attached:	No	
Contact Officer:	Chris Warren		**Telephone:**	01706 252409	
Email:	chriswarren@rossendalebc.gov.uk				

Valley Plan Priorities	**Thriving Local Economy:** This involves securing new inward investment, creating a sustainable economy, matching local skills with future job opportunities, and supporting town centres as unique destinations.	☐
	High Quality Environment: This includes having a "clean and green" local environment, reducing the borough's carbon footprint, improving waste and recycling rates, and delivering new homes with a good mix of housing tenures.	☐
	Healthy & Proud Communities: This priority focuses on improving the health and physical/mental wellbeing of residents, reducing health inequalities, ensuring access to better leisure facilities and health services, and fostering a sense of pride in the community.	☐
	Effective & Efficient Council: The aim is to provide good quality and responsive services, embrace new technology, be a financially sustainable council with a commercial outlook, and ensure sound governance.	☒

1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

1.1. This report proposes a capital expenditure programme for 2026/27 and the medium term, including new capital projects approved during 2025/26 subject to further due diligence and legal contracts. The report also explores the 2026/27 Capital Strategy.

1.2. The proposed capital programme for 2026/27 and 2027/28 represents an affordable plan, as indicated by the prudential borrowing performance indicators the Capital Strategy (Appendix b).

1.3. It is anticipated that there will be a deficit between capital resources and requirements over the future years and in particular in 2026/27 when the requirement to build a waste transfer station will increase the need for the Council to borrow. With ongoing pressures on the Council's revenue resources throughout the MTFS period it is likely that the Council will need to source additional external borrowing, as reflected in the capital programme financing estimates. This will lead to interest costs which have been included within the business case for each investment. When approving new schemes, it is important that consideration is given to the impact they will have on the Councils revenue budget through the Minimum Revenue Provision (MRP) charge.

2. RECOMMENDATION

Cabinet recommends that Council approves:

2.1 The capital programme for 2026/27 and associated capital expenditure of £30,177m, and additional capital expenditure for the period of 2027/28 of £3.682m. The Capital programme is attached at Appendix A

3. BACKGROUND AND REASON FOR THE DECISION

3.1 Capital expenditure refers to expenditure on larger projects, typically over £10k in value, and where the benefit of the spend will last for more than one year, such as on vehicles and buildings.

3.2 For 2026/27 the decision has been made to produce a two year MTFS due to Local Government Reorganisation anticipated to take place from April 2028. Therefore, the proposed MTFS spans the remaining life of Rossendale Borough Council in its current form. The programme includes capital expenditure scheduled for the Council's operational assets and for externally funded economic development and community schemes. The Council ensures all capital expenditure is directly linked to the Council's priorities and is affordable and offers value for money. Any spend on the Council's operational assets is scheduled in line with the Council's Major Asset Plan. Expenditure in respect of grants or financial assistance is included in the programme if the nature of Council expenditure can be classed as capital.

3.3 The capital programme is updated continually for agreed changes and reported to Cabinet on a quarterly basis and to Council as part of any financial forecast updates. A prudent approach is taken when preparing the programme to ensure that financing resources are only forecast for when there is relative certainty that they will be received.

3.4 In accordance with CIPFA's Prudential Code the Council's Director of Resources (S151 Officer) is required to have full regard for affordability, sustainability and prudence when making recommendations about the Council's future capital programme. Such consideration includes the level of long-term revenue commitments arising from completed capital works. The Council considers the affordability of capital investment and the impact on revenue forecasts when formulating its capital spending plans.

4. AN AFFORDABLE CAPITAL PROGRAMME 2026/27

4.1 In order to meet the Council's strategic plans and operational requirements the Council has drawn up an affordable capital programme for two years. However, consideration has been made for the future sustainability of the MTFS to ensure that the Council is in a sustainable position moving forwards into the new Unitary Authority in April 2028.

4.2 The full detailed capital programme is attached at Appendix A and totals £33.859m. The planned spend over the life of the programme is continuously reviewed and any scheme profiling changes are reflected in quarterly monitoring reports. The table, below, sets out the latest capital programme summary. This has been updated for agreed changes up to the end of December 2025 and the proposed new additions on page 6 of this report:

Table 1

Capital Expenditure	2026/27 £'000	2027/28 £'000	Total Expenditure £'000
Operations & Communities	10,271	680	10,951
Corporate Services & Buildings	3,420	265	3,685
Housing	2,021	1,000	3,021
Regeneration	12,786	1,737	14,523
Climate change	1,679	-	1,679
Total	**30,177**	**3,682**	**33,859**

4.3 Where possible the Council carries out stock condition surveys to establish a rolling programme of improvement and refurbishment of its operational properties. The programme takes account of the need for efficiency and environmental impact issues. The Council's properties include office accommodation, the depot and venues such as the markets and open space facilities.

4.4 The Council has a small investment property portfolio managed to generate income to support the revenue budget and maximise opportunities for regeneration. The Council has also purchased an additional five residential properties to reduce the reliance on temporary accommodation and therefore create a beneficial impact on the Revenue budget. If successful the Council will consider options for further purchases.

4.5 The Council currently has several major on-going capital projects, these include the Levelling Up funded Rawtenstall Gyratory and Rossendale Town Centre's Projects and the Haslingden 2040 NLHF scheme.

4.6 The Council has developed a comprehensive replacement plan for the operational vehicle and plant fleet and has included provision for this in the Medium Term Financial Strategy (MTFS).

4.7 There are a number of smaller projects on-going including the expenditure from the Carbon Reduction Fund.

4.8 Subsequent to the capital budget approval for 2025/26 there have been additions to the Capital Programme going forwards, all anticipated to be completed within the period of the current MTFS. These are:-

- Building of a Waste Transfer Station
- Extension to Haslingden Cemetery
- Additional Local Authority Housing Fund monies for Supported Housing
- Public Sector Decarbonisation Scheme for work to Marl Pits

4.9 It is proposed to introduce a new scheme to the programme for 2026/27, this is listed on page 6.

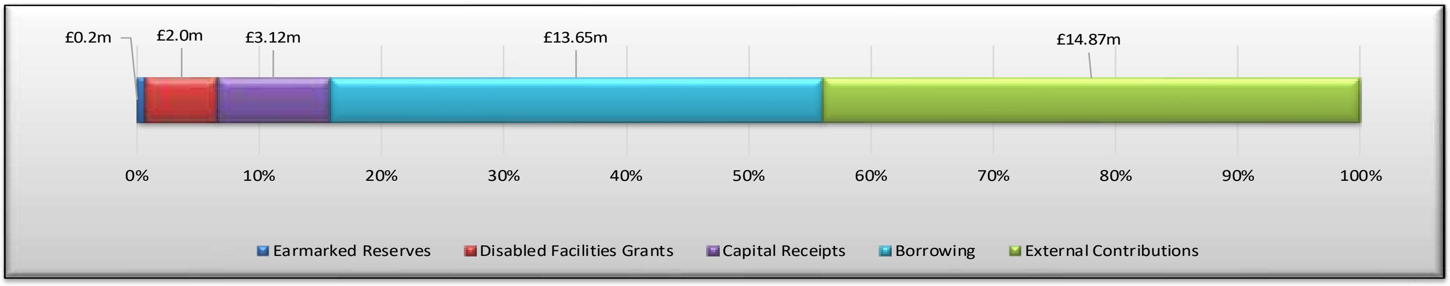
5. FINANCING THE CAPITAL PROGRAMME

5.1 Capital resources come from four sources:

- Capital receipts from sales of land or other assets
- Capital grants or contributions from outside agencies, organisations or community groups or from property developers through s106 agreements
- Earmarked Reserves
- Revenue Contributions to Capital Outlay (RCCO) from either the Council's own budgets, or from property developers through s106 agreements.

The Council has estimated the following financing sources will be available to fund the capital investment programme between 2026/27 and 2027/28:

Table 2



6. FUTURE PLANS

6.1 The Council has an ambitious agenda for improving Rossendale. Projects requiring capital funding must be financially sustainable. Other potential future schemes could include:

- Future Health and Leisure Facility improvements.
- Improvement projects recommended within the Playing Pitch Strategy.
- Rossendale Valley Growth Corridor aimed at opening up new employment sites along the A56/M66 corridor.

6.2 Each of these proposals is either at feasibility stage or earlier. If the above projects are approved by Members, they will require capital funding. If this is funded using the Council's own resources or prudential borrowing it will impact on the Councils revenue budget and the capital programme would need to be reviewed and adjusted.

7. RISK

All the issues raised and the recommendations in this report involve risk considerations as set out below:

7.1 The impacts of local government reorganisation may curtail the programme and lead to poor value for money or partly completed schemes if not adequately planned. The Council will mitigate this by keeping abreast of the reorganisation agenda and working closely with other parties to mitigate curtailment of projects it will also phase works to minimise the risk of non-completion.

7.2 The Council needs to ensure that it is able to generate adequate sources of capital funding to support its capital commitments over the medium term and that it does not over stretch itself in terms of borrowing exposure. The uncertainty around the future allocation of national capital programmes such as a potential extension to the UK Shared Prosperity Fund exacerbate this risk. This risk is mitigated by the on-going monitoring of the capital programme and the agreement of any additions to the programme only following member approval, which will include considerations of the implications for the Council's capital and revenue position.

7.3 In the current economic climate, there is some uncertainty surrounding the Council's ability to generate resources from the disposal of its surplus assets. Regular reporting will continue to be made to members to explain any additional resources achieved and account for their allocation to the programme as and when they become available.

7.4 The potential for unforeseen events or liability. The Council owns, or has liability for, a number of major structures including viaducts, culverts, cemeteries, properties and other assets throughout the valley which have the potential to lead to significant liabilities.

7.5 Recent high levels of inflation have abated somewhat however inflation continues to have an impact on affordability of the capital programme and projects will need to be closely monitored to ensure that they are delivered within budgets. Recent historic high interest rates are forecast to reduce over the coming year, albeit more slowly than originally forecast, and there is future uncertainty around whether this will lead to a reduction in the cost of borrowing which will help mitigate any adverse pressure on the revenue budget.

8. SECTION 151 OFFICER COMMENTS (FINANCE)

8.1 The financial implications are contained within the body of the report.

9. MONITORING OFFICER COMMENTS (LEGAL)

9.1 None.

10. INTEGRATED IMPACT ASSESSMENT IMPLICATIONS

10.1 Not applicable.

11. POLICY/STRATEGY FRAMEWORK IMPLICATIONS

11.1 The capital programme forms part of the Council's 2026/27 MTFS proposals and has been included as part of the MTFS equality considerations and consultation process.

12. LOCAL GOVERNMENT REORGANISATION IMPLICATIONS

12.1. For 2026/27 the decision has been made to produce a two year MTFS due to Local Government Reorganisation anticipated to take place from April 2028. Therefore, the proposed MTFS spans the remaining life of Rossendale Borough Council in its current form

13. BACKGROUND PAPERS

13.1 Revenue Budget 2026/27 and the MTFS update being reported to the Overview & Scrutiny Committee in February 2026.

ROSSENDALE BOROUGH COUNCIL

The Capital Programme

Effective and Efficient Council

Appendix A

MTFS 2026/27

Schemes in Progress	2026/27 £'000	2027/28 £'000	Total 2026/27 - 2027/28 inc slippage £'000
Schemes			
Vehicles / Equipment	2,144	590	2,734
Wheeled & Litter Bins	60	60	120
Cemeteries	610	10	620
Pathways	20	20	40
General Building Renovations & Maintenance	490	200	690
Carbon Reduction Fund	100	-	100
Car Parks General	30	-	30
Leisure Facilities upgrades	2,500	-	2,500
Legacy Liabilities	400	65	465
Waste Transfer Station	6,200	-	6,200
Sub-total	**12,554**	**945**	**13,499**

Schemes funded wholly/partly by External Finance or Government Grants	2026/27 £'000	2027/28 £'000	Total 2026/27 - 2027/28 inc slippage £'000
DFG'S - Mandatory Grants	1,000	1,000	2,000
PSDS Marl Pits Decarbonisation	1,579	-	1,579
Haslingden 2040 NLHF	606	-	606
Football Pitches	1,237	-	1,237
Rossendale Capital Regeneration Project	11,347	-	11,347
Pride in Place (Long Term Plans for Towns)	360	1,737	2,097
Supported Accomodation	1,021	-	1,021
Sub-total	**17,150**	**2,737**	**19,887**
Total of Schemes in Progress	**29,704**	**3,682**	**33,386**

New Schemes or Schemes awaiting external funder approval	2026/27 £'000	2027/28 £'000	Total 2026/27 - 2027/28 inc slippage £'000
Total of Schemes in Progress	**29,704**	**3,682**	**33,386**
Stubbylee Hall	473	-	473
Total New Schemes	**473**	**-**	**473**
Grand Total	**30,177**	**3,682**	**33,859**

	2026/27		2027/28		
Schemes funded wholly/partly by External Finance or Government Grants	**External Funding £'000**	**RBC Contribution £'000**	**External Funding £'000**	**RBC Contribution £'000**	**Total Funding**
DFG'S - Mandatory Grants	1,000	-	1,000	-	2,000
PSDS Marl Pits Decarbonisation - PSDS	1,279	300	-	-	1,579
Haslingden 2040 - National Lottery Heritage Fund	606	-	-	-	606
Football Pitches - Football Foundation	987	250	-	-	1,237
Rossendale Capital Regeneration Project - CRF	9,547	1,800	-	-	11,347
Pride in Place - MHCLG	360	-	1,737	-	2,097
Supported Accomodation - LAHF	571	450	-		1,021
Grand Total	**14,350**	**2,800**	**2,737**	**-**	**19,887**

MTFS Forecast 2026/27
Rossendale Borough Council Capital Financing Statement

MTFS Forecast	2026/27 £'0000	2027/28 £'000	Total Estimate 2026/27 - 2027/28 £'000
Estimated Expenditure			
Schemes in Progress	29,704	3,682	33,386
New Schemes	473	-	473
Total Estimated Capital Payments	**30,177**	**3,682**	**33,859**
Estimated Resources			
General Fund :			
Disabled Facilities Grant	1,000	1,000	2,000
Other External Finance	13,135	1,737	14,872
Prudential Borrowing	12,704	945	13,649
Earmarked Reserves	215	-	215
Capital Receipts	3,123	-	3,123
Total Resources	**30,177**	**3,682**	**33,859**

ROSSENDALE BOROUGH COUNCIL

Capital Strategy

2026/27

Effective and Efficient Council

The Capital Strategy, including Prudential Indicators & Limits Capital Strategy Report 2026/27

1. Introduction

The Capital Strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. The development of the Capital Strategy is an iterative process insofar as it will be updated as new issues arise, for example, during the development and updating of the Council's corporate priorities or as new issues that have an impact on the Council emerge. At the present time, the strategy is updated on an annual basis.

A sound capital programme must be driven by the corporate priorities and capital decisions must balance the long-term gains with the initial capital costs and the ongoing revenue implications in terms of running costs and potential income generation opportunities. Decisions made this year on capital and treasury management will have financial consequences for the Authority for many years into the future, therefore they are subject to both a national regulatory framework and to local policy framework. The Prudential Code recognises that in making its capital investment decisions the Council must have explicit regard to option appraisal, asset management planning, strategic planning for the Council and achievability of the capital programme.

2. Capital Expenditure and Financing

Capital expenditure is where the Council spends money on assets, such as property or vehicles, that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example typically assets costing below £10,000 are not capitalised and are charged to revenue in year.

In 2026/27, the Council is anticipating capital expenditure of £30.177m summarised in Table 1.

Table 1 - Prudential Indicator: Estimates of Capital Expenditure

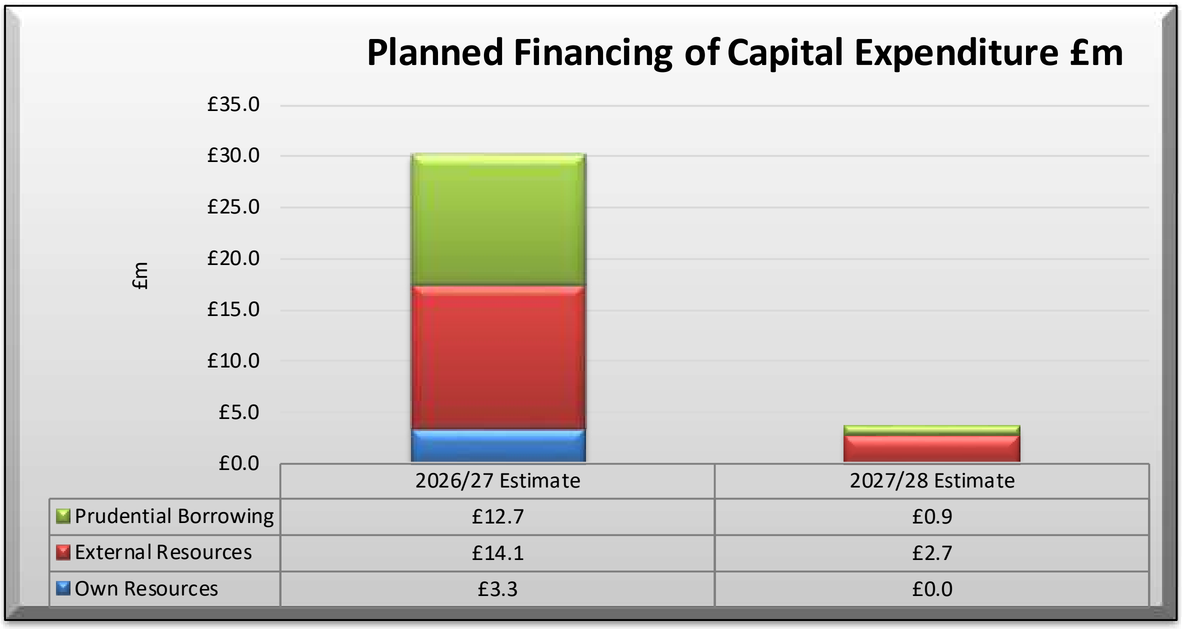
Capital Expenditure	2026/27 £'000	2027/28 £'000	Total Expenditure £'000
Operations & Communities	10,271	680	10,951
Corporate Services & Buildings	3,420	265	3,685
Housing	2,021	1,000	3,021
Regeneration	12,786	1,737	14,523
Climate change	1,679	-	1,679
Total	**30,177**	**3,682**	**33,859**

Governance: A strategic review of the Capital Programme including a review of the Council's investment assets and operational assets is carried out annually. The reviews take into consideration works identified from stock condition surveys and investments/capital expenditure resulting from the Council's corporate priorities. Bids are formulated based on the outcome of reviews and recommend projects for inclusion in the Council's capital programme. Bids are reviewed by Finance who calculate the financing cost (which can be nil if the project is fully externally financed). Cabinet Members and Senior Leadership Team appraise all bids based on a comparison of service priorities against financing costs. The final capital programme is then presented along with the Cabinet budget proposals in January and to Council in February/March each year.

Full details of the Council's capital programme are shown in Appendix A of the Capital Programme report to Council in March.

All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing or leasing). The planned financing of the expenditure in Table 1 is as follows:

Table 2: Capital financing



	2026/27 Estimate	2027/28 Estimate
Prudential Borrowing	£12.7	£0.9
External Resources	£14.1	£2.7
Own Resources	£3.3	£0.0

Prudential Borrowing is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as Minimum Revenue Provision (MRP). Alternatively, proceeds from selling capital assets (known as capital receipts) may be used to replace debt finance. Planned MRP repayments are as follows.

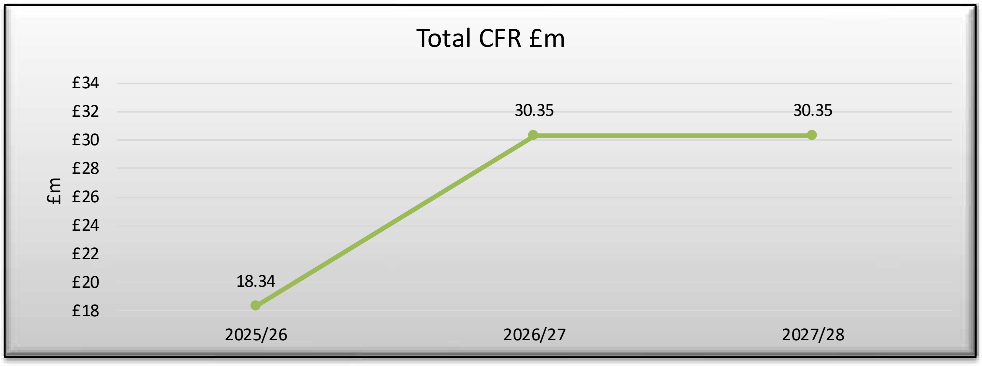
Table 3: Replacement of Debt Finance

The Council's Minimum Revenue Provision statement is available in the Treasury Management Strategy.

The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts. The CFR is expected to increase by £12m during 2026/27. This is largely based on the increased Capital expenditure relating to the Waste Transfer Station and the Regeneration of the Rossendale Town Centres.

Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Table 4 - Prudential Indicator: Estimates of Capital Financing Requirement



Asset management: To ensure that capital assets continue to be of long-term use, the Council has an asset management strategy. Also, wherever possible the Council investigates opportunities to dispose of property assets for development, and explores other opportunities to maximise the return on the investment property portfolio income or increase financial receipts. As well as future investments, Members must also consider the costs of holding onto some assets compared with their contribution towards the corporate priorities. Holding costs include revenue running costs and general maintenance, but often capital maintenance costs are overlooked and and if not addressed, they can accumulate significantly over time. The last comprehensive stock condition survey was undertaken in 2013 and since then the Council has only had the resources to deal with the highest priority capital maintenance works in a rolling programme of around £200k per annum. The Property Services Team continue to carry out a review of all the Council's assets on a ward by ward basis, this is to enable the Council to better understand the scope of its property and land assets portfolio i.e. location, suitability, condition and value. The review has indicated that the costs relating to capital maintenance works should remain at £200k per annum.

Asset disposals: When a capital asset is no longer needed, it may be sold so that the proceeds, capital receipts, can be spent on new assets or to repay debt. The Council's ability to raise capital receipts from land sales is dependent upon the current property market and its appetite to dispose of non-operational assets. The forecast opening value of useable capital receipts from historic sale of assets is forecast to be £1,057k. The Council will seek appropriate opportunities for divestment of assets.

Regular reporting will continue to be made to Members to explain any additional resources achieved and account for their allocation to the programme as and when they become available. The Council is currently estimating it will receive £1,600k of capital receipts in the coming financial years as follows:

Table 5: Capital Receipts

The forecast proceeds from sales which are expected to complete in 2026/27 are:

	2026/27 Estimate £'000	2027/28 Estimate £'000	Total Estimate £'000
Asset Sales	1,600	-	1,600

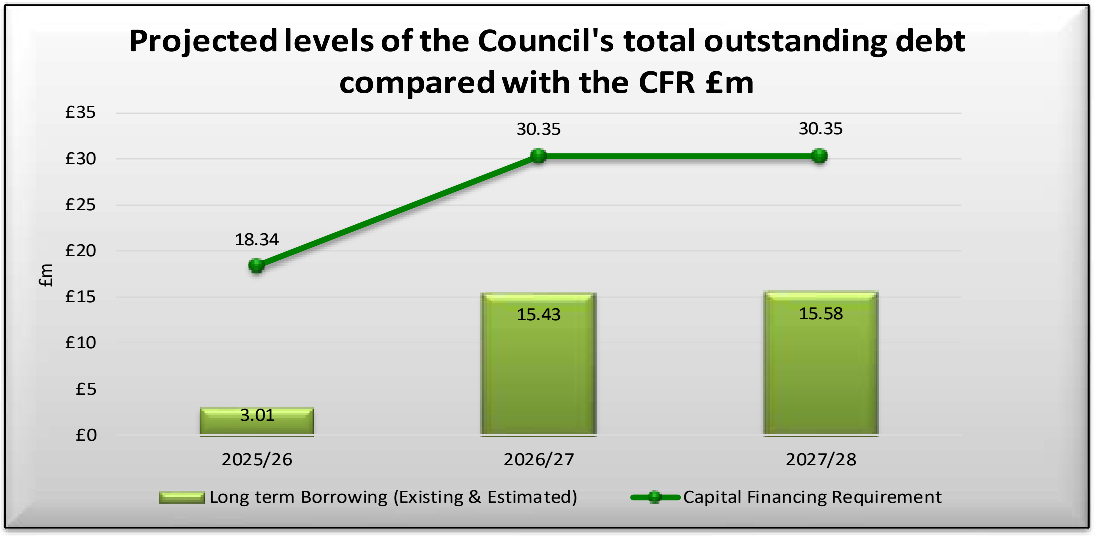
3. Treasury Management

Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account.

Borrowing strategy: The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future.

Projected levels of the Council's total outstanding debt are shown below, compared with the capital financing requirement.

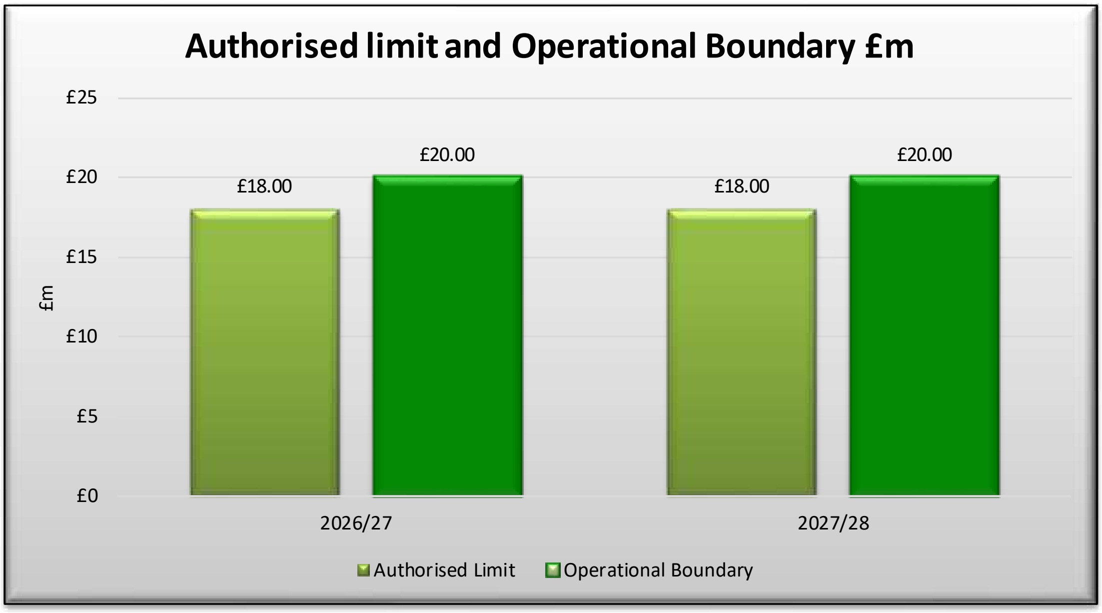
Table 6: Prudential Indicator Gross Debt and the Capital Financing Requirement



Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Council expects to comply with this in the medium term.

Affordable borrowing limit: The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set and is based on the Authority's estimate of most likely but not worst-case scenario and should equate to the maximum level of external debt projected by this estimate. The Council as a general guideline will seek to ensure its debt service costs (including MRP charges) are within 10% of the Council's net revenue budget; in 2026/27 this metric is predicted to be 5.33%. The Authorised Limit and Operation Boundary for 2026/27 shall be £20m and £18m respectively. Further details on borrowing are in the Treasury Management Strategy

Table 7 Authorised limit and Operational Boundary



Investment strategy: Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

The Council's policy on treasury investments is to prioritise security and liquidity over yield. That is to focus on minimising risk rather than maximising returns**.** Cash is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. The Council does not make investments for period over 365 days.

The estimated level of cash balances held is anticipated to have peaked in 2025/26 due to the Levelling Up Capital Projects grants and certain other externally funded projects making one off lump sum payments in advance, thus increasing available cash on a temporary basis.

Further details on treasury investments are in the Treasury Management Strategy.

Governance: Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Section 151 Officer who must act in line with the treasury management strategy approved by Council. Treasury Management Activity is included within the quarterly monitoring reports which are presented to the Cabinet. The Audit and Accounts Committee is responsible for scrutinising treasury management decisions.

4. Investments for Service Purposes

These investments, including loans, are made for their contribution toward service delivery objectives. For example, the Council has provided loans in prior years to Rossendale Leisure Trust for equipment purchase and to the Whitaker to enable the delivery of the recent capital works. These loans are made to benefit the local community. In light of the public service objective, the Council is willing to take more risk in making service investments than it is with treasury investments, however it still aims for such investments to contribute to its corporate priorities.

Governance: Decisions on service investments are made by either Cabinet or the Council, in line with the Council's constitution. Most loans are for capital expenditure and purchases will therefore be approved as part of the capital programme.

5. Investment Properties

As a result of a decade of decline in central government financial support for local public services, the Council has invested in commercial property within Rossendale, mainly for the aim of regeneration of the borough including job retention and creation, whilst seeking to achieve financial gain in order to produce a balanced overall financial budget and to ensure that council tax payers receive value. At the time of writing, the Councils investment properties were valued at c£525k providing a net return after all costs of 6.85%.

The principal risk exposures include a potential fall in capital value. Any risks are managed by the Property Services Team. The Council's level of commercial investments are modest and considered relatively small in proportion to the size of the authority, however to ensure commercial investments remain in proportion they are subject to an overall maximum investment limit of £8m. The level of the commercial investment returns is not material to the Council's overall budget, however should expected yields not materialise the contingency would be to use earmarked reserves in the short term and review the assets future.

Governance: Decisions relating to capital expenditure for all purposes, including for the acquisition of property assets, are made in accordance with the Financial Regulations of the Council, thus requiring the approval of Full Council/Cabinet as appropriate. Property and most other commercial investments are also capital expenditure and purchases will therefore also be approved as part of the capital programme.

6. Liabilities

In addition to the debt in Table 6 above, the Council has set aside c£1,160k (as at 31st March 2025) in a Business Rates Appeal Provision to cover risks arising from the costs of Business Rates appeals as a consequence of the transference of such risks under the localisation of business rates arrangements introduced in 2013.

Provisions are made where an event has taken place that gives the Council a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Governance: Decisions on incurring new discretional liabilities are taken in consultation with the Section 151 Officer.

Revenue budget implications although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from council tax, business rates and general government grants.

Table 7: Prudential Indicator: Proportion of Financing Costs to Net Revenue Stream

Ratio of financing costs to Net Revenue Stream	2026/27 Estimate £'000	2027/28 Estimate £'000
Financing Costs	792	1,703
Proportion of net revenue stream	5.33%	11.91%

Further details on the revenue implications of capital expenditure are included within the Capital Programme.

Sustainability: Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years may extend for up to 50 years into the future. The Director of Resources is satisfied that the proposed capital programme is prudent, affordable and sustainable.

7. Knowledge and Skills

The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, the Director of Resources is a qualified accountant with over 20 years' of Public Sector experience. The Council pays for accountancy staff to study towards relevant professional accountancy qualifications and the staff involved in treasury management attend treasury seminars and workshops provided by CIPFA and other external service providers, where relevant. Training is provided to Councillors as part of the financial management training delivered by the Section 151 Officer and more detailed treasury management training to Councillors on the Audit & Accounts Committee. Where appropriate the Council appoints external advisors and consultants that are specialists in their field. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

ROSSENDALE BOROUGH COUNCIL

AGENDA ITEM: E3

Report Title:	2026/27 Treasury Management Strategy					
Report to:	Cabinet		**Date:**	11th February 2026		
Report of:	Director of Resources		**Cabinet Portfolio**	Resources		
Cabinet Lead Member	Councillor Walmsley		**Wards Affected**	All		
Key Decision:	☒	Forward Plan ☒	General Exception ☐	Special Urgency ☐		
Integrated Impact Assessment:		Required:	No	Attached:	No	
Contact Officer:	Chris Warren		**Telephone:**	01706 252409		
Email:	chriswarren@rossendalebc.goc.uk					

Valley Plan Priorities	**Thriving Local Economy:** This involves securing new inward investment, creating a sustainable economy, matching local skills with future job opportunities, and supporting town centres as unique destinations.	☐
	High Quality Environment: This includes having a "clean and green" local environment, reducing the borough's carbon footprint, improving waste and recycling rates, and delivering new homes with a good mix of housing tenures.	☐
	Healthy & Proud Communities: This priority focuses on improving the health and physical/mental wellbeing of residents, reducing health inequalities, ensuring access to better leisure facilities and health services, and fostering a sense of pride in the community.	☐
	Effective & Efficient Council: The aim is to provide good quality and responsive services, embrace new technology, be a financially sustainable council with a commercial outlook, and ensure sound governance.	☒

1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

1.1. The purpose of the report is to inform members of the updated Treasury Management Strategy Statement (TMS) and Treasury Management Policy and Practices (TMP).

1.2. For consideration at Full Council, Members will be asked to approve the adoption of the Treasury Management Strategy Statement and Treasury Management Policy and Practises, which will ensure continued compliance with the Code and continue to manage the council's exposure to financial risk.

1.3. In light of the current economic climate and potential resultant changing cash flow requirements, Members are asked to delegate any minor amendments required within year to the Director of Resources in consultation with the Lead Member for Resources.

2. RECOMMENDATIONS

Cabinet recommends that Council approves:

2.1 The Treasury Management Strategy Statement, including the borrowing strategy.

2.2 The Investment Strategy, including Investment Indicators.

2.3 The Minimum Revenue Provision (MRP) Statement.

2.4 To delegate any further minor amendments to the Director of Resources (s.151) in consultation with the Lead Member for Resources.

3. BACKGROUND AND REASON FOR THE DECISION

3.1 This is an annual update of the Treasury Management Strategy Statement (Appendix 1) and the Treasury Management Policy and Practices (Appendix 2), based upon the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management and Prudential Codes 2021.

3.2 Treasury management is concerned with how organisations manage their cash resources, and its scope covers borrowing, investment and hedging instruments and techniques. Risk is inherent in all treasury management activities and it is necessary to balance risk and return. In the public services it is generally considered that the priority is to protect capital rather than maximise return.

3.3 The Treasury Management Strategy for 2026/27 at Appendix 1 is written in conjunction with both the revenue budget for 2026/27 and the Capital Strategy and Capital Programme 2026/27 to 2027/28 which are also being placed before members for consideration, specifically in respect of the TMS at Appendix 1 key clauses as follows:

- Capital Strategy at 1.2.1
- Capital Expenditure at 2.1 and 5.1.1
- The Capital Financing Requirement (CFR) at 2.2
- Minimum Revenue Provision (MRP) and Voluntary Revenue Provision (VRP) at 2.5
- Interest expenditure and income at 2.1
- Credit Worthiness Policy at 4.2

3.4 The interest rates quoted at paragraphs 3.3 and 5.2 of the strategy reflect the average of samples gathered by MUFG Asset Services as at the 11th August 2025 from city and non-city forecasters, including HM Treasury. The forecasts are an estimate based on today's financial climate. Whilst forecasters are comparatively confident about their estimates for the coming financial year, those for longer term are far less reliable.

3.5 The Treasury Management Strategy Statement covers:

- treasury controls and reporting mechanisms required to limit the treasury risk and activities of the Council
- the current and expected cash and reserve balances at (2.4)
- the borrowing requirement and borrowing limits at (3.1)
- prospects for interest rates at (3.3)
- policy on borrowing in advance of need at (3.5)
- the investment strategy and expected rates of return at (4.4)
- Prudential Indicators and the MRP strategy at (5.1)
- treasury management scheme of delegation at (5.6) and the relevant roles and responsibilities of delegated officers at (5.7)

3.6 As part of the council's budget-setting work the estimates of future interest rates, capital resources and expenditure and capital financing costs (through the Minimum Revenue Provision) have been included in arriving at a balanced budget for 2026/27.

3.7 The Treasury Management Policy and Practices at Appendix 2 provide further operational detail on the plans within the Treasury Management Strategy Statement. For 2026/27 there have been only very minor amendments to the Treasury Management Policy and Practises to cover the works with related parties and subsidiaries and to keep it in line with updates in the TMS above.

3.8 The Treasury Management Practises cover:

- risk management arrangements and techniques
- performance measurement
- decision making and operational controls within the day-to-day administration of treasury and cash flow management
- measures to prevent money laundering
- training requirements for staff included within the delegation arrangements in the Treasury Management Strategy Statement
- further details on the use of external service providers

3.9 At times of low interest rates from banks, one alternative use of resources open to the council is the pre-payment of revenue creditors in order to achieve early payment discounts. These transactions are not treated as investments, therefore do not fall under the TMS or TMPs in the appendices attached. However, the same considerations of risk and reward should be considered prior to entering into any such agreement. The Director of Resources must be sure of the nature and obligation of the future transactions, their expected value and the credit worthiness of the supplier/counterparty involved. At present there are neither arrangements in place nor plans to enter into such agreements.

4. RISK

4.1 The key risks associated with the strategy include:

- An unexpected increase/decrease in bank base rates.
- An unexpected reduction in cash balances. Each individual opportunity would be assessed on its own merits and reported to members at the next available opportunity.

4.2 All the issues raised and the recommendations in this report also involve risk considerations as set out below:

- Failure to comply with legal statute, Codes of Practice and regulations of the council.
- Financial risks and credit risks exposure as a result of treasury management decisions. The TMS lays the ground rules for balancing the desire to maximise interest earning capacity with the potential risks of investments in the financial sector, especially in the current economic climate.

5. SECTION 151 OFFICER COMMENTS (FINANCE)

5.1 Finance matters are dealt with in the body of the report.

6. MONITORING OFFICER COMMENTS (LEGAL)

6.1 There are no material legal implications.

7. INTERGRATED IMPACT ASSESSMENT IMPLICATIONS

7.1 Not Applicable.

8. POLICY/STRATEGY FRAMEWORK IMPLICATIONS

8.1 Consultation has taken place with the Council's treasury management advisors – MUFG Asset Services.

8.2 Officers have ensured that the documents attached meet the requirements of the current CIPFA revised Treasury Management Code of Practice and revised Prudential Code 2021 by adopting the proforma documents provided by MUFG Asset Services with only minor adaptations for local considerations.

9. LOCAL GOVERNMENT REORGANISATION IMPLICATIONS

9.1 A decision has been made in 2026/27 at the time of writing, to produce a two year MTFS due to local government reorganisation.

10. BACKGROUND PAPERS

10.1 Previously adopted 2025/26 Treasury Management Strategy and Treasury Management Practices 5th March 2025: Council | Rossendale Borough Council

ROSSENDALE
BOROUGH
COUNCIL

Treasury Management Strategy Statement

Minimum Revenue Provision Policy Statement and Annual Investment Strategy

2026/27

Effective and Efficient Council

INDEX

1. Key considerations

1. **2021 revised CIPFA Treasury Management Code and Prudential Code – changes which will impact on future TMS/AIS reports and the risk management framework**

CIPFA published the revised Codes on 20th December 2021 and stated that revisions need to be included in the reporting framework from the 2023/24 financial year. This Authority, therefore, has to have regard to these Codes of Practice when it prepares the Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year, which are taken to Full Council for approval.

The revised Treasury Management Code required all investments and investment income to be attributed to one of the following three purposes: -

Treasury management
Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.

Service delivery
Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".

Commercial return
Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to an authority's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return.

The revised Treasury Management Code requires an authority to implement the following: -

2. **Adopt a liability benchmark treasury indicator** to support the financing risk management of the capital financing requirement; this is to be shown in chart form for a minimum of ten years, with material differences between the liability benchmark and actual loans to be explained;

3. **Long-term treasury investments**, (including pooled funds), are to be classed as commercial investments unless justified by a cash flow business case;

4. **Pooled funds** are to be included in the indicator for principal sums maturing in years beyond the initial budget year;

5. Amendment to the **knowledge and skills register** for officers and members involved in the treasury management function - to be proportionate to the size and complexity of the treasury management conducted by each authority;

6. **Reporting to members is to be done quarterly.** Specifically, the Director of Resources (s.151) is required to establish procedures to monitor and report performance against all forward-looking prudential indicators at least quarterly. The s.151 officer is expected to establish a measurement and reporting process that highlights significant actual or forecast deviations from the approved indicators. However, monitoring of prudential indicators, including forecast debt and investments, is not required to be taken to Full Council and should be reported as part of the Authority's integrated revenue, capital and balance sheet monitoring;

7. **Environmental, social and governance (ESG)** issues to be addressed within an authority's treasury management policies and practices (TMP1).

The main requirements of the Prudential Code relating to service and commercial investments are: -

1. The risks associated with service and commercial investments should be proportionate to their financial capacity – i.e. that plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services;
2. An authority must not borrow to invest for the primary purpose of commercial return;
3. It is not prudent for local authorities to make any investment or spending decision that will increase the CFR, and so may lead to new borrowing, unless directly and primarily related to the functions of the Authority, and where any commercial returns are either related to the financial viability of the project in question or otherwise incidental to the primary purpose;
4. An annual review should be conducted to evaluate whether commercial investments should be sold to release funds to finance new capital expenditure or refinance maturing debt;
5. A prudential indicator is required for the net income from commercial and service investments as a proportion of the net revenue stream;
6. Create new Investment Management Practices to manage risks associated with non-treasury investments, (similar to the current Treasury Management Practices).

The Authority's Capital Strategy or Annual Investment Strategy should include: -

1. The Authority's approach to investments for service or commercial purposes (together referred to as non-treasury investments), including defining the Authority's objectives, risk appetite and risk management in respect of these investments, and processes ensuring effective due diligence;

2. An assessment of affordability, prudence and proportionality in respect of the Authority's overall financial capacity (i.e., whether plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services);

3. Details of financial and other risks of undertaking investments for service or commercial purposes and how these are managed;

4. Limits on total investments for service purposes and for commercial purposes respectively (consistent with any limits required by other statutory guidance on investments);

5. Requirements for independent, expert advice and scrutiny arrangements, noting that while business cases may provide some of this material, the information they contain should be periodically re-evaluated to inform the Authority's overall strategy;

6. State compliance with paragraph 51 of the Prudential Code in relation to investments for commercial purposes, in particular the requirement that an authority must not borrow to invest primarily for financial return.

As this TMS and AIS deals solely with treasury management investments, the categories of service delivery and commercial investments should be addressed as part of the Capital Strategy report.

However, as investments in commercial property have implications for cash balances managed by the treasury team, it will be for each authority to determine whether to add a high level summary of the impact that commercial investments have, or may have, if it is planned to liquidate such investments within the two year time horizon of this report, (or a longer time horizon if that is felt appropriate).

1.1 Background
The Authority is required to operate a balanced revenue budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Authority's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Authority's capital plans. These capital plans provide a guide to the borrowing need of the Authority, essentially the longer-term cash flow planning, to ensure that it can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet risk or cost objectives.

The contribution the treasury management function makes to the Authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

> *"The management of the local authority's borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (arising usually from capital expenditure), and are separate from the day-to-day treasury management activities.

1.2 Reporting Requirements
1.2.1 Capital Strategy

The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following: -

- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of the strategy is to ensure that all the Authority's elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures and risk appetite.

1.2.2 Treasury Management Reporting

Members are currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

a. **Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report is forward looking and covers: -
    - the capital plans, (including prudential indicators)
    - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time)
    - the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
    - an Annual Investment Strategy, (the parameters on how investments are to be managed)

b. **A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, members will receive quarterly update reports.

c. **An annual treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny
The above reports are required to be adequately scrutinised before being recommended to the Full Council. This role is undertaken by the Cabinet.

Quarterly reports – In addition to the three major reports detailed above, from 2023/24 quarterly reporting (end of June, September, December and March) is also required. However, these additional reports do not have to be reported to Full Council/Board but do require to be adequately scrutinised. This role is undertaken by the Cabinet. (The reports, specifically, should comprise updated Treasury/Prudential Indicators.)

1.3 Treasury Management Strategy for 2026/27
The strategy for 2026/27 covers two main areas:

Capital issues
- the capital expenditure plans and the associated prudential indicators
- the minimum revenue provision (MRP) policy

Treasury management issues
- the current treasury position
- treasury indicators which limit the treasury risk and activities of the Authority
- prospects for interest rates
- the borrowing strategy
- policy on borrowing in advance of need
- debt rescheduling
- the investment strategy
- creditworthiness policy; and
- the policy on use of external service providers

These elements cover the requirements of the Local Government Act 2003, DLUHC Investment Guidance, DLUHC MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

1.4 Training

This organisation recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The responsible officer will recommend and implement the necessary arrangements, including the specification of the expertise, knowledge and skills required by each role or member of staff.

The responsible officer will ensure that board/council members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and those responsibilities.

Those charged with governance recognise their individual responsibility to ensure that they have the necessary skills to complete their role effectively.

Furthermore, pages 47 and 48 of the Code state that they expect "all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making."

The scale and nature of this will depend on the size and complexity of the organisation's treasury management needs. Organisations should consider how to assess whether treasury management staff and council members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.

As a minimum, authorities should carry out the following to monitor and review knowledge and skills:

- Record attendance at training and ensure action is taken where poor attendance is identified.
- Prepare tailored learning plans for treasury management officers and council members.
- Require treasury management officers and council members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).
- Have regular communication with officers and council members, encouraging them to highlight training needs on an ongoing basis."

In further support of the revised training requirements, CIPFA's Better Governance Forum and Treasury Management Network have produced a 'self-assessment by members responsible for the scrutiny of treasury management', which is available from the CIPFA website to download.

Member training took place during 2025/26, further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed and actioned.

A formal record of the training received by officers central to the Treasury function will be maintained by Director of Resources. Similarly, a formal record of the treasury management/capital finance training received by members will also be maintained by Member Services.

1.5 The Authority uses treasury management consultants, MUFG Treasury Services Limited as its external treasury management advisors.

The Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

It also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

2. THE CAPITAL PRUDENTIAL INDICATORS 2026/27 – 2027/28

The Authority's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans are prudent, affordable and sustainable.

2.1 Capital Expenditure and Financing

This prudential indicator is a summary of the Authority's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts: -

Table 1

Capital Expenditure	2026/27 £'000	2027/28 £'000	Total Expenditure £'000
Operations & Communities	10,271	680	10,951
Corporate Services & Buildings	3,420	265	3,685
Housing	2,021	1,000	3,021
Regeneration	12,786	1,737	14,523
Climate change	1,679	-	1,679
Total	**30,177**	**3,682**	**33,859**

Other long-term liabilities - the above financing need excludes other long-term liabilities, such as PFI and leasing arrangements that already include borrowing instruments.
The table below summarises the above capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Table 2

Financing of Capital Expenditure	2026/27 £'000	2027/28 £'000	Total Expenditure £'000
Capital Receipts	3,123	-	3,123
Capital Grants	14,135	2,737	16,872
Capital Reserves	-	-	0
Earmarked Reserves	215	-	215
Total in-year resources	**17,473**	**2,737**	**20,210**
Net Financing need for year	12,704	945	13,649

2.2 The Authority's Borrowing Need (the Capital Financing Requirement)

The second prudential indicator is the Authority's Capital Financing Requirement (CFR). The CFR is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Authority's indebtedness and so it's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset's life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long-term liabilities (for example, finance leases). Whilst these increase the CFR, and therefore the Authority's borrowing requirement, these types of schemes already include a borrowing facility provided by the lease financier and so the Authority is not required to separately borrow for these schemes.

Members are asked to approve the CFR projections below:

Table 3

Capital Financing Requirement (CFR)	2026/27 Estimate £'000	2027/28 Estimate £'000
Opening CFR	18,344	30,346
Movement in CFR	12,002	7
Closing CFR	30,346	30,353
Movement in CFR is repesented by		
Net Financing need for year	12,704	945
Less MRP repayments	- 702	- 938
Movement in CFR	12,002	7

The movement in CFR in 2026/27 is £12,002k, which includes the following projects:

- Rossendale Town Centres (CRP)
- Rawtenstall Gyratory (CRP)
- Building of Waste Transfer Station

Table 4

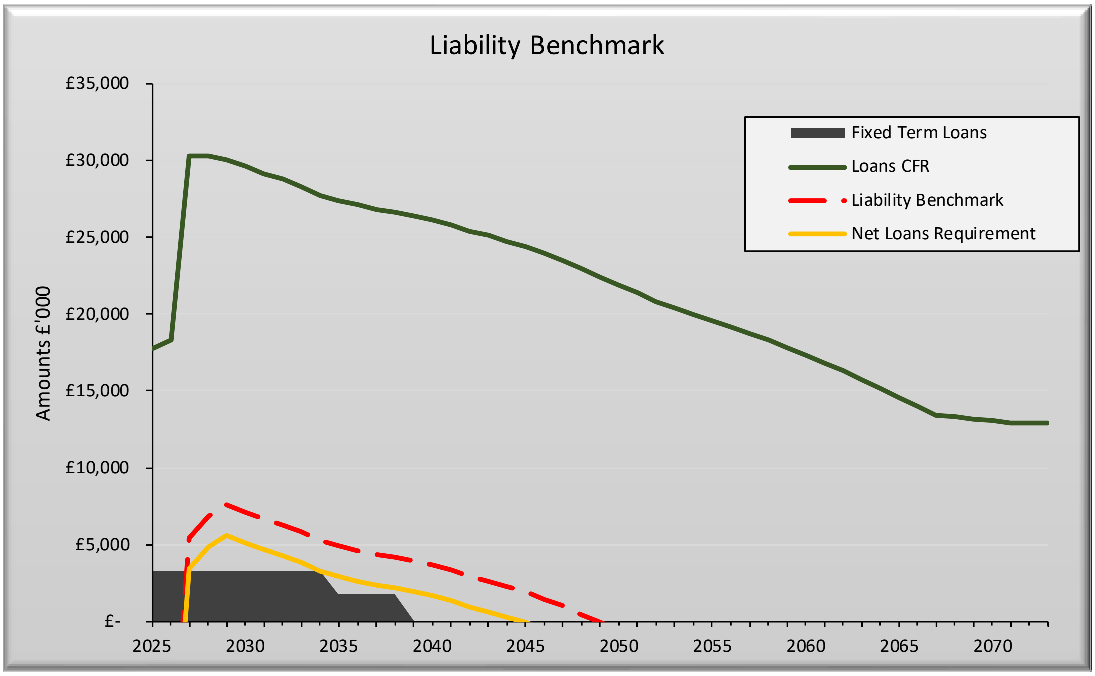
External Borrowing Requirement	2026/27 Estimate £'000	2027/28 Estimate £'000
Service Spend	9,581	945
Housing	450	-
Regeneration	2,673	-
Closing CFR	**12,704**	**945**

2.3 Liability Benchmark

The Authority is required to estimate and measure the Liability Benchmark (LB) for the forthcoming financial year and the following two financial years, as a minimum.
There are four components to the LB: -

1. **Existing loan debt outstanding**: the Authority's existing loans that are still outstanding in future years.
2. **Loans CFR**: this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
3. **Net loans requirement**: this will show the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
4. **Liability benchmark** (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance.

Table 5



2.4 Core Funds and Expected Investment Balances

The application of resources (capital receipts, reserves etc.) to either finance capital expenditure or other budget decisions to support the revenue budget will have an ongoing impact on investments unless resources are supplemented each year from new sources (asset sales etc.). Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

Table 6

Year End Resources	2026/27 Estimate £000	2027/28 Estimate £000
General Fund Balance	1,000	1,000
Earmarked Reserves	13,941	11,710
Capital Receipts	1,600	-
Government Grants Unapplied	250	100
Net to/(-)from reserves	(2,231)	(1,115)
Total Reserves	**14,560**	**11,695**
(Under)/Over Borrowing (see 3.1)	(14,920)	(14,774)
Expected Resources	(360)	(3,079)
Cash Balances	**9,000**	**6,400**
Working Capital*	8,640	3,321

*Working capital balances shown are estimated year-end; these may be higher mid-year

2.5 Minimum Revenue Provision (MRP) Policy Statement

Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the Authority has financed capital expenditure by borrowing it is required to make a provision each year through a revenue charge (MRP).

The Authority is required to calculate a prudent provision of MRP which ensures that the outstanding debt liability is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits. The MRP Guidance (2018) gives four ready-made options for calculating MRP, but the Authority can use any other reasonable basis that it can justify as prudent.

The MRP policy statement requires full council approval (or closest equivalent level) in advance of each financial year.

Members are recommended to approve the following MRP Statement*:*

From 1 April 2008 for all unsupported borrowing the MRP policy will be:

- **Asset life method (annuity)** – MRP will be based on the estimated life of the assets;

Capital expenditure incurred during 2026/27 will not be subject to an MRP charge until 2027/28, or in the year after the asset becomes operational.

The Authority will apply the asset life method for any expenditure capitalised under a Capitalisation Direction.

MRP in respect of assets acquired under Finance Leases or PFI will be charged at an amount equal to the principal element of the annual repayment.

For capital expenditure on loans to third parties where the principal element of the loan is being repaid in annual instalments, the capital receipts arising from the principal loan repayments will be used to reduce the CFR instead of MRP.

Where no principal repayment is made in a given year, MRP will be charged at a rate in line with the life of the assets funded by the loan.

MRP Overpayments - Under the MRP guidance, any charges made in excess of the statutory MRP can be made, known as voluntary revenue provision (VRP).

VRP can be reclaimed in later years if deemed necessary or prudent. In order for these amounts to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year.

Cumulative VRP overpayments made to date are £657k (made in 2018/19).

3. BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Authority. The treasury management function ensures that the Authority's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Authority's Capital Strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions, and the Annual Investment Strategy.

3.1 Current Portfolio Position

The overall treasury management portfolio as at 31/03/25 and for the position as at 31/12/2025 are shown below for both borrowing and investments.

Table 7

Treasury Portfolio	31/03/2025 Actual £000	31/12/2025 Current Portfolio £000
External Borrowing:		
Public Works Loan Board Loan 1	1,840	1,748
Public Works Loan Board Loan 2	1,450	1,400
Total External Borrowing	**3,290**	**3,148**
Treasury Investments:		
Nat West	1,817	1,241
Handelsbanken	-	-
Lloyds	2,000	2,000
LCC Call Account	2,000	2,000
DMO	6,000	20,000
Total Treasury Investments	**11,817**	**25,241**
Net Borrowing / (Lending)	**(8,527)**	**(22,093)**

The Authority's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

Table 8

Borrowing Position	2026/27 Estimate £000	2027/28 Estimate £000
Debt at 1st April	3,006	15,426
New Debt	12,704	945
Debt Repayments	(284)	(792)
Debt at 31st March	**15,426**	**15,579**
PWLB Loan 1	1,472	1,288
PWLB Loan 2	1,250	1,150
Estimated New Debt	12,704	13,141
Capital Financing Requirement (CFR)	**30,346**	**30,353**
Under / (over) Borrowing	14,920	14,774

Within the range of prudential indicators there are several key indicators to ensure that the Authority operates its activities within well-defined limits. One of these is that the Authority needs to ensure that its gross debt does not, except in the short-term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2026/27 and the following financial year. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue or speculative purposes.
The Director of Resources reports that the Authority complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes account of current commitments, existing plans and the proposals in this budget report.

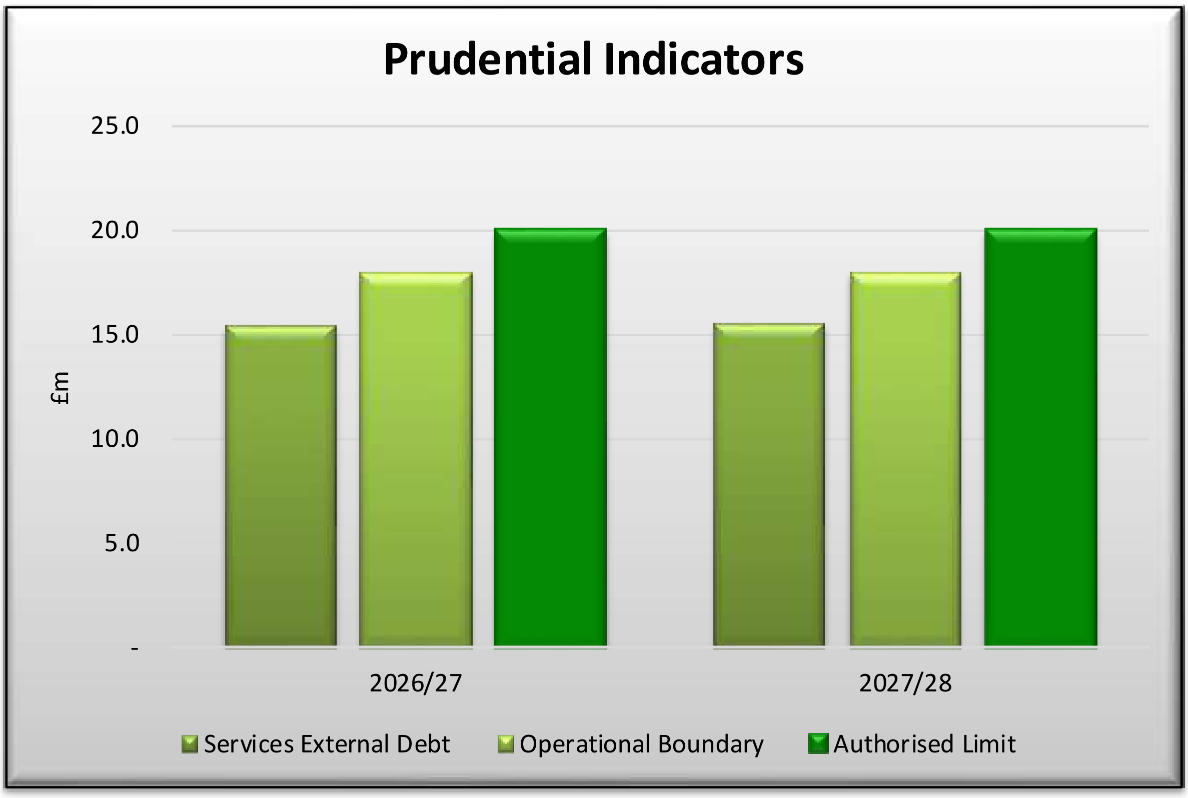
3.2 Treasury Indicators: Limits to Borrowing Activity

- **The Operational Boundary.** This is the limit beyond which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under- borrowing by other cash resources.
- Members are asked to approve the following Operational boundary of £18m

The Authorised Limit for external debt. This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the Full Council. It reflects the level of external debt which, while not desired, could be afforded in the short-term, but is not sustainable in the longer term.

- This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all local authority plans, or those of a specific authority, although this power has not yet been exercised.
- Members are asked to approve the following authorised limit of £20m
- In graphical terms the relationship between the total CFR, the current external borrowing and the suggested authorised limits and operational boundaries can be shown below. The prudent level of future potential borrowing is clearly visible as the gap between the forecast CFR and the current and future estimated borrowing levels.

Table 11



3.3 Prospects for Interest Rates

Members have appointed MUFG Group as its treasury advisor and part of their service is to assist the Authority to formulate a view on interest rates. MUFG provided the following forecasts on 11 August 2025. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 bps.

MUFG Corporate Markets Interest Rate View 11/08/2025													
	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28
BANK RATE	4.00	4.00	3.75	3.75	3.50	3.50	3.50	3.50	3.25	3.25	3.25	3.25	3.25
3 month ave earnings	4.00	4.00	3.80	3.80	3.50	3.50	3.50	3.50	3.30	3.30	3.30	3.30	3.30
6 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.30	3.40	3.40	3.40
12 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.40	3.50	3.60	3.60
5 yr PWLB	4.80	4.70	4.50	4.40	4.30	4.30	4.30	4.20	4.20	4.20	4.20	4.10	4.10
10 yr PWLB	5.30	5.20	5.00	4.90	4.80	4.80	4.80	4.70	4.70	4.70	4.70	4.60	4.60
25 yr PWLB	6.10	5.90	5.70	5.70	5.50	5.50	5.50	5.40	5.40	5.30	5.30	5.30	5.20
50 yr PWLB	5.80	5.60	5.40	5.40	5.30	5.30	5.30	5.20	5.20	5.10	5.10	5.00	5.00

Additional notes by MUFG Corporate Markets on this forecast table: -

- Our last interest rate forecast update was undertaken six months ago, in February 2025. Throughout the intervening period we have successfully forecast a gradual reduction in Bank Rate, although we were not overly persuaded that a cut in August was the correct policy, given even the Bank of England anticipates CPI inflation hitting 4% in the autumn. As it happened, a 5-4 split vote for a rate cut to 4% laid bare the different views within the Monetary Policy Committee, with the accompanying commentary noting the decision was “finely balanced” and that future rate cuts would be undertaken “gradually and carefully”.

- What we also know after last week's release of the Bank of England's Quarterly Monetary Policy Report is that annual UK GDP is expected to be in the region of 1.2% for Q3 2025, rising to 1.7% by Q3 2028. The Bank anticipates wage growth to moderate to a sustainable 3.75% and CPI inflation to return to 2% in around 18 months' time.
- With the August rate cut now done, we are comfortable revising our previous forecast for a November rate cut, instead pushing that back to February 2026, on the basis that CPI inflation should have peaked by then and will be on a slow downwards trajectory back to 2% by 2027. Further gradual reductions in Bank Rate to 3.25% are then anticipated but, and it is a big BUT, only if inflation and employment data are supportive of such cuts.
- For threats to that central scenario abound. What if wage increases remain stubbornly high and in the region of 5% even as the economy stutters towards a position of flatlining or tepid growth? There are several sectors of the domestic economy, including social care provision, where staff shortages remain - even as unemployment ticks higher (currently 4.7%). And what about the hikes in general taxation likely to arise from the November (date still to be confirmed) Budget? There is an estimated £15bn - £25bn second "black hole" to fill, so will there be further borrowing announced by the Chancellor to add to taxation funding? If so, how will gilt markets react to these variables…and will there be additional geo-political factors to also bake in, particularly the Fed's monetary policy decision in September (currently 85% prospect of a rate cut) and the ongoing tariff policies emanating from the White House. And, of course, how will the ongoing conflicts in the Middle East and between Russia and Ukraine influence matters?
- Moreover, it looks likely that the Bank of England will reduce the pace of its Quantitative Tightening from an annual £100bn (October 2024 to September 2025) to a range between £60bn and £75bn from October 2025 (Market Participants Survey, August 2025). If that policy move also sees a shift in the gilts being sold to having shorter durations, this should prove supportive of the gilt market generally.
- Accordingly, our updated central forecast is made with several hefty caveats. We are confident, as we have been for some time, that our forecast for Bank Rate and the 5-year PWLB Certainty Rate is robust. But for the 10-, 25- and 50-years part of the curve, the aforementioned factors may all have a role to play in whether we end up above, close to or below our new forecasts. As it is, we have lifted our starting points and finishing points within the medium to longer dated forecasts. Clients will be aware from presentations at our Strategic Issues webinars that net annual gilt issuance of c£180bn is around a four-fold increase compared to recent annual issuance, and with pension fund and insurance company investment favouring shorter durations, it has been left to transient foreign investors and hedge funds to fill the investor vacuum. Whilst this backdrop prevails, we see no obvious reason why medium to longer gilt yields will not remain at elevated levels, even allowing for a gradual reduction in inflation over the course of the forecast. Consequently, our forecasts at Q3 2028 are 20 basis points higher than previously projected for the 10 years and 50 basis points higher for 25 to 50 years.
- Our revised PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012. Please note, the lower Housing Revenue Account (HRA) PWLB rate started on 15 June 2023 for those authorities with an HRA (standard rate minus 60 bps) and is set to prevail until at least the end of March 2026. Hopefully, there will be a further extension to this discounted rate announced in the Budget.
- Money market yield forecasts are based on expected average earnings by local authorities for 3 to 12 months.

- The MUFG Corporate Markets forecast for average earnings are averages i.e., rates offered by individual entities may differ significantly from these averages, reflecting their different needs for borrowing short-term cash at any one point in time.

Gilt yields and PWLB rates

The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, but the risks to our forecasts are generally to the upsides. Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below: -

PWLB borrowing	Current borrowing rates as at 11/08/2025 p.m. %	Target borrowing rate now (end of Q2 2027) %	Target borrowing rate previous (end of Q2 2027) %
5 years	4.78	4.20	4.20
10 years	5.36	4.70	4.50
25 years	6.10	5.40	5.00
50 years	5.87	5.20	4.70

Borrowing advice: Our long-term (beyond 10 years) forecast for the neutral level of Bank Rate remains at 3.5%. As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should also be considered. Temporary borrowing rates will, generally, fall in line with Bank Rate cuts.

Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year are set out below.

Average earnings in each year	Now %	Previously %
2025/26 (residual)	3.90	4.10
2026/27	3.60	3.60
2027/28	3.30	3.50
2028/29	3.50	3.50
2029/30	3.50	3.50
Years 6-10	3.50	3.50
Years 10+	3.50	3.50

We will continue to monitor economic and market developments as they unfold. Typically, we formally review our forecasts following the quarterly release of the Bank of England's Monetary Policy Report but will consider our position on an ad-hoc basis as required.

Our interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

3.4 Borrowing Strategy

The Authority is currently maintaining an under-borrowed position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Authority's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels, albeit only once prevailing inflation concerns are addressed by restrictive near-term monetary policy. That is, Bank Rate remains relatively elevated in 2026 even if further rate cuts arise.

Against this background and the risks within the economic forecast, caution will be adopted with the 2026/27 treasury operations. The Director of Resources will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in borrowing rates,* then borrowing will be postponed.

- *if it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast,* fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

Any decisions will be reported to the Cabinet at the next available opportunity.

3.5 Policy on Borrowing in Advance of Need

The Authority will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated, and that the Authority can ensure the security of such funds.

3.6 Rescheduling

Rescheduling of current borrowing in our debt portfolio may be considered whilst premature redemption rates remain elevated but only if there is surplus cash available to facilitate any repayment, or rebalancing of the portfolio to provide more certainty is considered appropriate.

If rescheduling is to be undertaken, it will be reported to the Cabinet, at the earliest meeting following its action.

3.7 New Financial Institutions as a Source of Borrowing and / or Types of Borrowing

Currently the PWLB Certainty Rate is set at gilts + 80 basis points. However, consideration may still need to be given to sourcing funding from the following sources for the following reasons:

- Local authorities (primarily shorter dated maturities out to 3 years or so – generally still cheaper than the Certainty Rate).
- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a "cost of carry" or to achieve refinancing certainty over the next few years).

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

3.8 Approved Sources of Long and Short-term Borrowing

On Balance Sheet	**Fixed**	**Variable**
PWLB	●	●
Local Authorities	●	●
Banks	●	●
Pension Funds	●	●
Insurance Companies	●	●
UK National Wealth Fund	●	●
Market (long-term)	●	●
Market (temporary)	●	●
Market (LOBOs)	●	●
Stock Issues	●	●
Local Temporary	●	●
Local/Community Municipal Bonds	●	
Local Authority Bills	●	●
Overdraft		●
Negotiable Bonds	●	●
Internal (capital receipts & revenue balances)	●	●
Commercial Paper	●	
Medium Term Notes	●	
Leases	●	●

4 ANNUAL INVESTMENT STRATEGY

4.1 Investment Policy – Management of Risk

The Ministry of Housing, Communities and Local Government (MHCLG)) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy, (a separate report).

The Council's investment policy has regard to the following: -

- MHCLG's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")
- CIPFA Treasury Management Guidance Notes 2021

The Authority's investment priorities will be security first, portfolio liquidity second and then yield (return). The Authority will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with regard to the Authority's risk appetite.

In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider "laddering" investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.

The above guidance from MHCLG and CIPFA places a high priority on the management of risk. This Authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short-term and long-term ratings.

2. **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Authority will engage with its advisors to maintain a monitor on market pricing such as "**credit default swaps**" and overlay that information on top of the credit ratings.

3. **Other information sources** used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

4. This Authority has defined the list of **types of investment instruments** that the treasury management team are authorised to use.

5. **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity, if originally, they were classified as being non-specified investments solely due to the maturity period exceeding one year.

6. **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.

7. **Transaction limits** are set for each type of investment in 4.2.

However, this Authority will also pursue **value for money** in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 4.5). Regular monitoring of investment performance will be carried out during the year.

Changes in risk management policy from last year.
The above criteria are unchanged from last year.

4.2 Creditworthiness Policy

The primary principle governing the Authority's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Authority will ensure that: -

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
- It has sufficient liquidity in its investments. For this purpose, it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Authority's prudential indicators covering the maximum principal sums invested.

The Director of Resources will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Full Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which members may use, rather than defining what types of investment instruments are to be used.
Credit rating information is supplied by MUFG Corporate Markets, our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating Watches (notification of a likely change), rating Outlooks (notification of the longer-term bias outside the central rating view) are provided to officers almost immediately after they occur, and this information is considered before dealing. For instance, a negative rating watch applying to a counterparty at the minimum authority criteria will be suspended from use, with all others being reviewed in light of market conditions.

The criteria for providing a pool of high-quality investment counterparties, (both specified and non-specified investments) is:

- Banks 1 - good credit quality – the Authority will only use banks which:
  1. are UK banks; and/or
  2. are non-UK and domiciled in a country which has a minimum sovereign Long-Term rating of AAA

and have, as a minimum, the following Fitch, Moody's and Standard & Poor's credit ratings (where rated):

  i. Short Term – F1
  ii. Long Term – A

- Banks 2 – The Authority's own banker for transactional purposes if the bank falls below the above criteria, although in this cash balances will be minimised in both monetary size and time invested.

- Bank subsidiary and treasury operation - The Authority will use these where the parent bank has provided an appropriate guarantee or has the necessary ratings outlined above.
- Money Market Funds (MMFs) using only those with AAA long-term rating backed up with lowest volatility rating Money Market Funds (MMFs)
- UK Government (including gilts, Treasury Bills and the DMADF)
- Local authorities, parish councils etc
- Housing associations
- Rossendale Leisure Trust
- Other related parties (where a charge can be placed on land or equity to preserve the Councils right to resources)

Use of additional information other than credit ratings. Additional requirements under the Code require the Authority to supplement credit rating information. Whilst the above criteria rely primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, rating Watches/Outlooks) will be applied to compare the relative security of differing investment opportunities.
Time and monetary limits applying to investments. The time and monetary limits for institutions on the Authority's counterparty list are as follows (these will cover both specified and non-specified investments): -

Table 12

Investment Type / Minimum Credit Rating (Note 1)	Banks Unsecured (Note 2)	Banks Secured (Note 3)	Government (Note 4)
UK Government	n/a	n/a	£ Unlimited 5 years
UK Treasury Bills	n/a	n/a	£1m in Total for 6 months
UK Local Authorities	n/a	n/a	£8m each for periods of up to 1 year £8m each for overnight / call deposits
Investment Rated A-	£5m each for 6 months	£5m each for 6 months	n/a
Money Market Funds (Note 5)	£2m per Fund up to 6 months		
Registered Providers (Note 6)	£2m in total for 1 year		
Any other organisation (Note 7)	£1.5m for maximum of 10 years		

Notes to Table 12: -

1. Credit rating: Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.
2. Banks unsecured: Includes accounts, deposits, certificates of deposit and unsecured bonds with banks and building societies. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

3. Banks secured: Includes covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits.
4. Government: Includes loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts as a contingency in the event of a crisis.
5. Pooled Funds: These Funds are shares in diversified investment vehicles which invest in any of the investment types above (Notes 2 to 4), plus equity shares and property. These funds provide wide diversification, together with the services of a professional Fund Manager. The Money Market Funds offer same-day liquidity and very low volatility and are used as an alternative to instant access bank accounts. There is no sector limit applying to Money Market Funds although the Council will take care to diversify its liquid investments over a variety of providers to minimise risk.
6. Registered providers: These are longer term loans or bonds that are secured or guaranteed on the assets of Registered Providers of Social Housing. These bodies are highly regulated by Homes England and are likely to receive government support if needed.
7. Other organisations: This is subject to an external credit assessment, specific advice from the Council's treasury management adviser and full Council approval.

Operational bank accounts: The Council's own bank account which is used for all of the Council's operational activities will have a minimum credit rating of BBB- and assets greater than £25 billion. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity. The balances in the Council's own bank account will be up to a maximum of £8m, or 50% of the resources available at the time of investing, whichever is the larger.

The proposed criteria for specified and non-specified investments are referenced in Section 5.4 below.

Creditworthiness
Significant levels of downgrades to Short and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. Nonetheless, when setting minimum sovereign debt ratings, this Authority will not set a minimum rating for the UK.

CDS prices
Although bank CDS prices, (these are market indicators of credit risk), spiked upwards during the autumn of 2022, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. MUFG Corporate Markets monitor CDS prices as part of their creditworthiness service to local authorities has access to this information via its MUFG Corporate Markets-provided Passport portal.

4.3 Limits
Due care will be taken to consider the exposure of the Authority's total investment portfolio to non-specified investments, countries, groups and sectors.

4.4 Investment Strategy

In-house funds. Investments will be made with reference to the core balance and cashflow requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that rates can be expected to fall throughout 2026, but only if the CPI measure of inflation maintains a downwards trend towards the Bank of England's 2% target. Rates may be cut quicker than expected if the economy stagnates.

Accordingly, while most cash balances are required in order to manage the ups and downs of cashflow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.

Investment returns expectations.

The current forecast shown in paragraph 3.3, includes a forecast for Bank Rate to fall to a low of 3.25% in 2027.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year were updated on 11 August 2025 and are as follows: -

Table 13

Average earnings in each year	Now %	Previously %
2025/26 (residual)	3.90	4.10
2026/27	3.60	3.60
2027/28	3.30	3.50
2028/29	3.50	3.50
2029/30	3.50	3.50
Years 6-10	3.50	3.50
Years 10+	3.50	3.50

Caution must be exercised in respect of all interest rate forecasts.

For its cashflow generated balances, the Authority will seek to utilise its SIBA instant access and notice accounts, Money Market Funds and short-dated overnight deposits, (overnight to 100 days), in order to benefit from the compounding of interest.

Investment treasury indicator and limit - total principal funds invested for greater than 365 days. These limits are set with regard to the Authority's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

Members are asked to approve the following treasury indicator and limit: -

Table 14

Upper limit for principal sums invested for longer than 365 days		
	2026/27	**2027/28**
Principal sums invested for longer than 365 days	£1.5m	£1.5m

4.5 Investment Performance / Risk Benchmarking
These benchmarks are simple guides to maximum risk, so they may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position and amend the operational strategy to manage risk as conditions change. Any breach of the benchmarks will be reported, with supporting reasons in the mid-year or Annual Report.

- Security – The Authority's maximum security risk benchmark for the current portfolio. The exposure to credit risk is monitored by measuring the average credit rating of its investment portfolio with a target rating of A-.

- Liquidity – in respect of this area the Authority seeks to manage its cashflow so as not to go overdrawn.

- Yield – for returns on investments is the Sterling Overnight Index Average (SONIA). Actual investment returns are monitored against budget.

4.6 End of Year Investment Report
At the end of the financial year, the Authority will report on its investment activity as part of its financial monitoring process.

5 APPENDICES

1. Prudential and treasury indicators
2. Interest rate forecasts
3. Economic background
4. Treasury management practice 1 – credit and counterparty risk management
5. Approved countries for investments
6. Treasury management scheme of delegation
7. The treasury management role of the section 151 officer

5.1 THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2026/27 – 2027/28

The Authority's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

5.1.1 Capital Expenditure

Table 15

Capital Expenditure	2026/27 £'000	2027/28 £'000	Total Expenditure £'000
Operations & Communities	10,271	680	10,951
Corporate Services & Buildings	3,420	265	3,685
Housing	2,021	1,000	3,021
Regeneration	12,786	1,737	14,523
Climate change	1,679	-	1,679
Total	**30,177**	**3,682**	**33,859**

5.1.2 Affordability Prudential Indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Authority's overall finances. Members are asked to approve the following indicators: -

Ratio of Financing Costs to Net Revenue Stream

This indicator identifies the trend in the cost of capital, (borrowing and other long-term obligation costs), against the net revenue stream.

Table 16

Ratio of financing costs to Net Revenue Stream	2026/27 Estimate £'000	2027/28 Estimate £'000
Financing Costs	792	1,703
Proportion of net revenue stream	5.33%	11.91%

The estimates of financing costs include current commitments and the proposals in this budget report.

5.1.3 Maturity Structure of Borrowing

Maturity structure of borrowing. These gross limits are set to reduce the Authority's exposure to large, fixed rate sums falling due for refinancing, and are required for upper and lower limits.

Members are asked to approve the following treasury indicators and limits:

Maturity structure of fixed interest rate borrowing 2026/27		
	Lower	**Upper**
Under 12 months	0%	30%
12 months to 2 years	0%	40%
2 years to 5 years	0%	50%
5 years to 10 years	0%	60%
10 years to 20 years	0%	100%
20 years to 30 years	0%	100%
30 years to 40 years	0%	100%
40 years to 50 years	0%	100%
Maturity structure of variable interest rate borrowing 2026/27		
	Lower	**Upper**
Under 12 months	0%	0%
12 months to 2 years	0%	0%
2 years to 5 years	0%	0%
5 years to 10 years	0%	0%
10 years to 20 years	0%	0%
20 years to 30 years	0%	0%
30 years to 40 years	0%	0%
40 years to 50 years	0%	0%

5.1.4. Control of Interest Rate Exposure
Please see paragraphs 3.3, 3.4 and 4.4.

5.2 INTEREST RATE FORECASTS 2025-2028

MUFG Corporate Markets Interest Rate View 11/08/2025													
	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28
BANK RATE	4.00	4.00	3.75	3.75	3.50	3.50	3.50	3.50	3.25	3.25	3.25	3.25	3.25
3 month ave earnings	4.00	4.00	3.80	3.80	3.50	3.50	3.50	3.50	3.30	3.30	3.30	3.30	3.30
6 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.30	3.40	3.40	3.40
12 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.40	3.50	3.60	3.60
5 yr PWLB	4.80	4.70	4.50	4.40	4.30	4.30	4.30	4.20	4.20	4.20	4.20	4.10	4.10
10 yr PWLB	5.30	5.20	5.00	4.90	4.80	4.80	4.80	4.70	4.70	4.70	4.70	4.60	4.60
25 yr PWLB	6.10	5.90	5.70	5.70	5.50	5.50	5.50	5.40	5.40	5.30	5.30	5.30	5.20
50 yr PWLB	5.80	5.60	5.40	5.40	5.30	5.30	5.30	5.20	5.20	5.10	5.10	5.00	5.00

5.3 ECONOMIC BACKGROUND (to 13 November 2025)

The first half of 2025/26 saw:

- A 0.3% pick up in GDP for the period April to June 2025. More recently, the economy flatlined in July, with higher taxes for businesses restraining growth, but picked up to 0.1% m/m in August before falling back by 0.1% m/m in September.
- The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% to 4.6% in September.
- CPI inflation has ebbed and flowed but finished September at 3.8%, whilst core inflation eased to 3.5%.
- The Bank of England cut interest rates from 4.50% to 4.25% in May, and then to 4% in August.
- The 10-year gilt yield fluctuated between 4.4% and 4.8%, ending the half year at 4.70% (before falling back to 4.43% in early November).

From a GDP perspective, the financial year got off to a bumpy start with the 0.3% m/m fall in real GDP in April as front-running of US tariffs in Q1 (when GDP grew 0.7% on the quarter) weighed on activity. Despite the underlying reasons for the drop, it was still the first fall since October 2024 and the largest fall since October 2023. However, the economy surprised to the upside in May and June so that quarterly growth ended up 0.3% q/q. Nonetheless, the 0.0% m/m change in real GDP in July, followed by a 0.1% m/m increase in August and a 0.1% decrease in September will have caused some concern. GDP growth for 2025 and 2026 is currently forecast by the Bank of England to be in the region of 1.4% before picking up in 2027.

Sticking with future economic sentiment, the composite Purchasing Manager Index (PMI) for the UK increased to 52.2 in October. The manufacturing PMI output balance improved to just below 50 but it is the services sector (52.2) that continues to drive the economy forward. Nonetheless, the PMIs suggest tepid growth is the best that can be expected in the second half of 2025 and the start of 2026. Indeed, on 13 November we heard that GDP for July to September was 0.1% q/q.

Turning to retail sales volumes, and the 1.5% year-on-year rise in September, accelerating from a 0.7% increase in August, marked the highest gain since April. On a monthly basis, retail sales volumes rose 0.5%, defying forecasts of a 0.2% fall, following an upwardly revised 0.6% gain in August. Household spending remains surprisingly resilient, but the headwinds are gathering.

As per the recent publication of the November Budget, the public finances position looks weak. The £20.2 billion borrowed in September was slightly above the £20.1 billion forecast by the OBR. For the year to date, the £99.8 billion borrowed is the second highest for the April to September period since records began in 1993, surpassed only by borrowing during the COVID-19 pandemic. The main drivers of the increased borrowing were higher debt interest costs, rising government running costs, and increased inflation-linked benefit payments, which outweighed the rise in tax and National Insurance contributions.

The weakening in the jobs market looked clear in the spring. May's 109,000 m/m fall in the PAYE measure of employment was the largest decline (barring the pandemic) since the data began and the seventh in as many months. The monthly change was revised lower in five of the previous seven months too, with April's 33,000 fall revised down to a 55,000 drop. More recently, however, the monthly change was revised higher in seven of the previous nine months by a total of 22,000. So instead of falling by 165,000 in total since October, payroll employment is now thought to have declined by a smaller 153,000. Even so, payroll employment has still fallen in nine of the ten months since the Chancellor announced the rises in National Insurance Contributions (NICs) for employers and the minimum wage in the October 2024 Budget. The number of job vacancies in the three months to October 2025 stood at 723,000 (the peak was 1.3 million in spring 2022). All this suggests the labour market continues to loosen, albeit at a slow pace.

A looser Labour market is driving softer wage pressures. The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% in April to 4.6% in September. The rate for the private sector slipped from 4.3% to 4.2%.

CPI inflation remained at 3.8% in September, whilst core inflation fell to 3.5%. Services inflation stayed at 4.7%. A further loosening in the labour market and weaker wage growth may be a requisite to UK inflation coming in below 2.0% by 2027.

An ever-present issue throughout recent months has been the pressure being exerted on medium and longer dated gilt yields. The yield on the 10-year gilt moved sideways in the second quarter of 2025, rising from 4.4% in early April to 4.8% in mid-April following wider global bond market volatility stemming from the "Liberation Day" tariff announcement, and then easing back as trade tensions began to de-escalate. By the end of April, the 10-year gilt yield had returned to 4.4%. In May, concerns about stickier inflation and shifting expectations about the path for interest rates led to another rise, with the 10-year gilt yield fluctuating between 4.6% and 4.75% for most of May. Thereafter, as trade tensions continued to ease and markets increasingly began to price in looser monetary policy, the 10-year yield edged lower, and ended June at 4.50%.

More recently, the yield on the 10-year gilt rose from 4.46% to 4.60% in early July as rolled-back spending cuts and uncertainty over Chancellor Reeves' future raised fiscal concerns. Although the spike proved short lived, it highlighted the UK's fragile fiscal position. In an era of high debt, high interest rates and low GDP growth, the markets are now more sensitive to fiscal risks than before the pandemic. During August, long-dated gilts underwent a particularly pronounced sell-off, climbing 22 basis points and reaching a 27-year high of 5.6% by the end of the month. While yields have since eased back, the market sell-off was driven by investor concerns over growing supply-demand imbalances, stemming from unease over the lack of fiscal consolidation and reduced demand from traditional long-dated bond purchasers like pension funds. For 10-year gilts, by late September, sticky inflation, resilient activity data and a hawkish Bank of England kept yields elevated over 4.70% although by early November yields had fallen back again to a little over 4.40%.

The FTSE 100 fell sharply following the "Liberation Day" tariff announcement, dropping by more than 10% in the first week of April - from 8,634 on 1 April to 7,702 on 7 April. However, the de-escalation of the trade war coupled with strong corporate earnings led to a rapid rebound starting in late April. As a result, the FTSE 100 ended June at 8,761, around 2% higher than its value at the end of March and more than 7% above its level at the start of 2025. Since then, the FTSE 100 has enjoyed a further 4% rise in July, its strongest monthly gain since January and outperforming the S&P 500. Strong corporate earnings and progress in trade talks (US-EU, UK-India) lifted share prices and the index hit a record 9,321 in mid-August, driven by hopes of peace in Ukraine and dovish signals from Fed Chair Powell. September proved more volatile and the FTSE 100 closed September at 9,350, 7% higher than at the end of Q1 and 14% higher since the start of 2025. Future performance will likely be impacted by the extent to which investors' global risk appetite remains intact, Fed rate cuts, resilience in the US economy, and AI optimism. A weaker pound will also boost the index as it inflates overseas earnings. In early November, the FTSE100 climbed to a record high just above 9,900.

MPC meetings: 8 May, 19 June, 7 August, 18 September, 6 November 2025

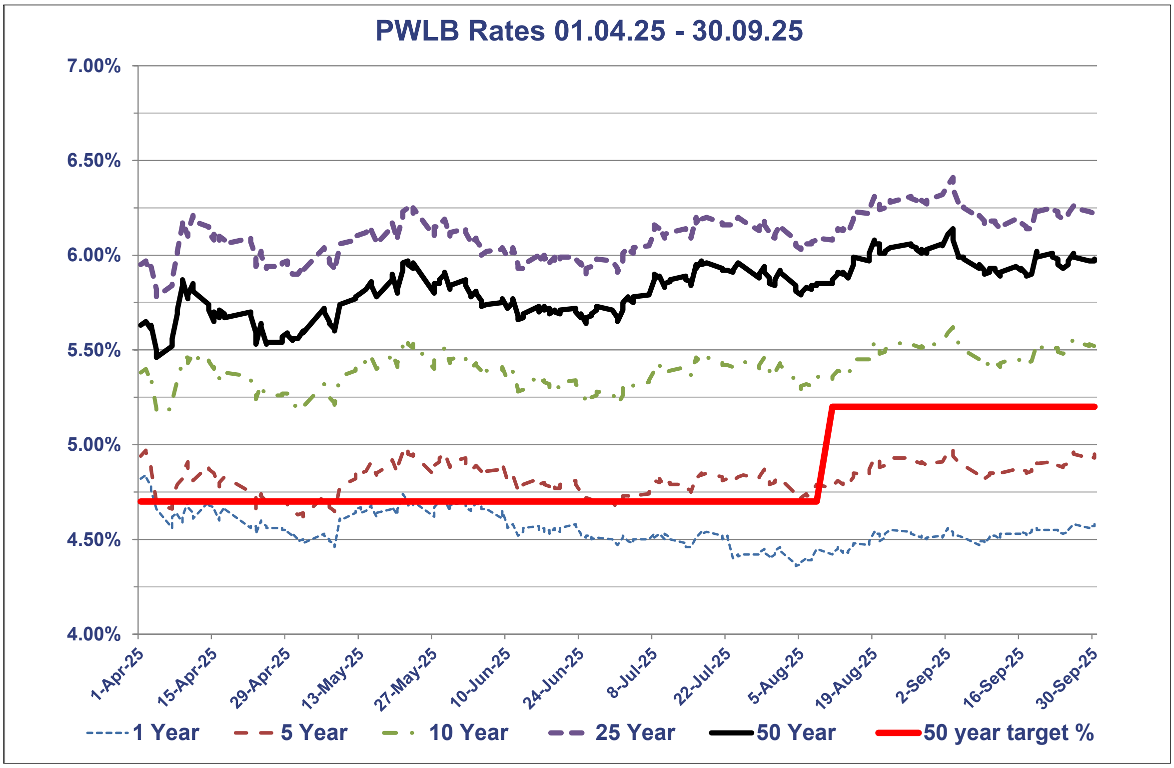
- There were five Monetary Policy Committee (MPC) meetings in the first half of the financial year. In May, the Committee cut Bank Rate from 4.50% to 4.25%, while in June policy was left unchanged. In June's vote, three MPC members (Dhingra, Ramsden and Taylor) voted for an immediate cut to 4.00%, citing loosening labour market conditions. The other six members were more cautious, as they highlighted the need to monitor for "signs of weak demand", "supply-side constraints" and higher "inflation expectations", mainly from rising food prices. By repeating the well-used phrase "gradual and careful", the MPC continued to suggest that rates would be reduced further.

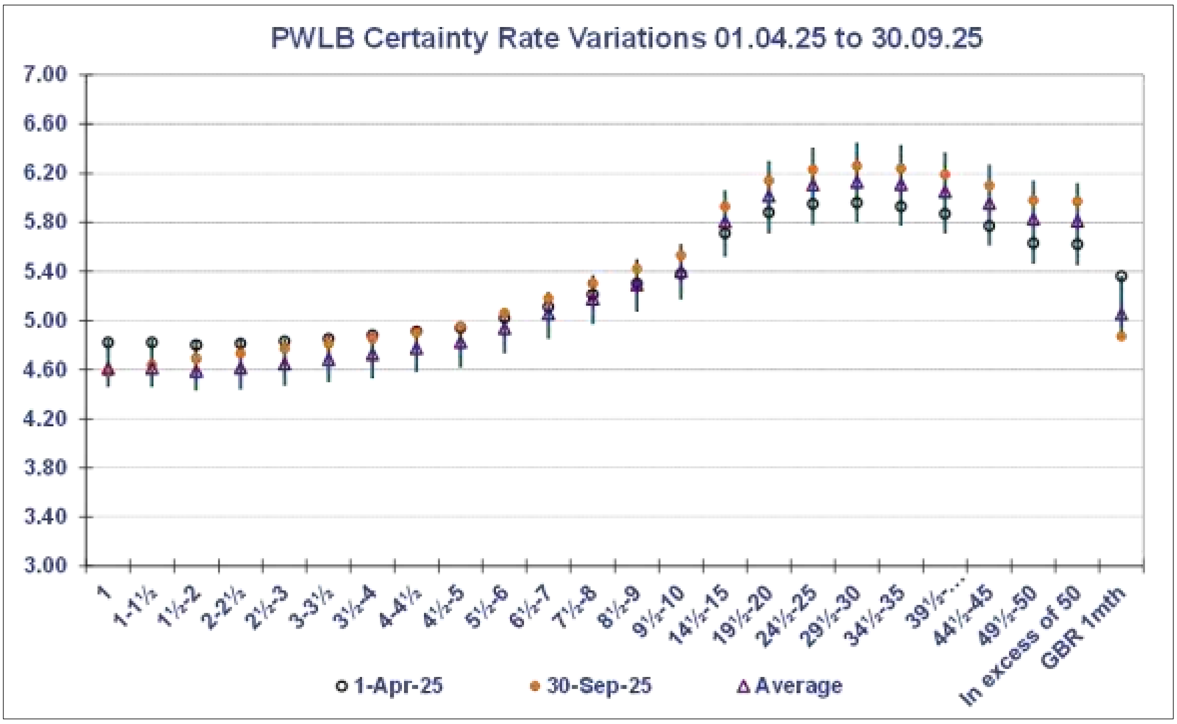
- In August, a further rate cut was implemented. However, a 5-4 split vote for a rate cut to 4% laid bare the different views within the Monetary Policy Committee, with the accompanying commentary noting the decision was "finely balanced" and reiterating that future rate cuts would be undertaken "gradually and carefully". Ultimately, Governor Bailey was the casting vote for a rate cut but with the CPI measure of inflation expected to reach at least 4% later this year, the MPC was wary of making any further rate cuts until inflation begins its slow downwards trajectory back towards 2%.

- With wages still rising by just below 5%, it was no surprise that the September meeting saw the MPC vote 7-2 for keeping rates at 4% (Dhingra and Taylor voted for a further 25bps reduction). Moreover, the Bank also took the opportunity to announce that they would only shrink its balance sheet by £70bn over the next 12 months, rather than £100bn. The repetition of the phrase that "a gradual and careful" approach to rate cuts is appropriate suggested the Bank still thought interest rates will fall further.

- At the 6 November meeting, Governor Bailey was once again the deciding vote, keeping Bank Rate at 4% but hinting strongly that a further rate cut is imminent. With GDP for Q3 disappointing, and the September CPI number staying at 3.8%, the market is split over whether the next rate cut will be in December or February.

PWLB RATES 01.04.25 - 30.09.25





HIGH/LOW/AVERAGE PWLB RATES FOR 01.04.25 – 30.09.25

	1 Year	5 Year	10 Year	25 Year	50 Year
01/04/2025	4.82%	4.94%	5.38%	5.95%	5.63%
30/09/2025	4.58%	4.95%	5.53%	6.23%	5.98%
Low	4.36%	4.62%	5.17%	5.78%	5.46%
Low Date	04/08/2025	02/05/2025	02/05/2025	04/04/2025	04/04/2025
High	4.84%	4.99%	5.62%	6.41%	6.14%
High Date	02/04/2025	21/05/2025	03/09/2025	03/09/2025	03/09/2025
Average	4.55%	4.82%	5.40%	6.11%	5.83%
Spread	0.48%	0.37%	0.45%	0.63%	0.68%

5.4 TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

The MHCLG issued Investment Guidance in 2018, updated by the 2021 Prudential Code, and this forms the structure of the Authority's policy below. These guidelines do not apply to either trust funds or pension funds which operate under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for local authorities to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective, the Guidance requires this Authority to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council adopted the Code on 24/02/2010 and will apply its principles to all investment activity. In accordance with the Code, the Director of Resources has produced its treasury management practices (TMPs). This part, TMP 1(1), covering investment counterparty policy requires approval each year.

Annual Investment Strategy - The key requirements of both the Code and the investment guidance are for the Authority to set an Annual Investment Strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of the following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which funds can be committed.
- Specified investments that the Authority will use. These are high security, and high liquidity investments in sterling and with a maturity of no more than a year.
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Authority is:

Strategy guidelines – The main strategy guidelines are contained in the body of the Treasury Management Strategy Statement.

Specified investments – These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Authority has the right to be repaid within 12 months if it wishes. They also include investments which were originally classed as being non-specified investments, but which would have been classified as specified investments apart from originally being for a period longer than 12 months once the remaining period to maturity falls to under 12 months.
These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with: -

- The UK Government (such as the Debt Management Account deposit facility, UK Treasury Bills or a Gilt with less than one year to maturity).
- Supranational Bonds of less than one year's duration.
- A Local Authority, Housing Association, Parish Council or Community Council.
- Pooled investment vehicles (such as Money Market Funds) that have been awarded a high credit rating by a credit rating agency for example, Standard and Poor's, Moody's and/or Fitch rating agencies.
- A body that is considered of a high credit quality (such as a bank or building society). This category covers bodies with a minimum Short-Term rating of A- (or the equivalent) as rated by Standard and Poor's, Moody's and / or Fitch rating agencies.

In accordance with the Code, the Authority has set out additional criteria to limit the time and the amount of monies which will be invested in these bodies. These criteria are set out in 4.2 above.

Non-specified investments – are any other type of investment (i.e., not defined as specified above). These are set out in 4.2 above.

NOTE 1. Officers will seek further advice on the appropriateness and associated risks with investments in these categories.

The monitoring of investment counterparties - The credit rating of counterparties will be monitored regularly. The Authority receives credit rating information (changes, rating watches and rating outlooks) from MUFG Corporate Markets as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Director of Resources, and if required new counterparties which meet the criteria will be added to the list.

5.5 APPROVED COUNTRIES FOR INVESTMENTS

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the MUFG Corporate Markets creditworthiness service.

Based on lowest available rating (as at 13.11.25)

AAA
- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+
- Canada
- U.S.A.

AA
- Abu Dhabi (UAE)
- Finland
- Qatar

AA-
- U.K.

A+
- Belgium
- France

5.6 TREASURY MANAGEMENT SCHEME OF DELEGATION

(i) Full Council

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

(ii) Cabinet

- approval of/amendments to the Council's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

(iii) Audit & Accounts Committee

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

5.7 THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.
- preparation of a Capital Strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe.
- ensuring that the Capital Strategy is prudent, sustainable, affordable in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the Authority
- ensure that the Council has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the Council does not undertake a level of investing which exposes the Council to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by the Council
- ensuring that the Council has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following: -

    - *Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;*
    - *Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;*
    - *Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*
    - *Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;*
    - *Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*

The Deputy S151 Officer (being the Head of Financial Services)

In the absence of the S151 Officer, the Deputy S151 Officer will take over the responsibilities noted above.

The Finance Officer (Exchequer Services)

- Transfer of funds between the Council's approved call and notice accounts.

Authorised Signatories

The following posts have been designated as those authorised to act as bank signatories for the Council:

- Director of Resources (S151 Officer)
- Head of Financial Services (Deputy S151 Officer)
- Finance Officer (Exchequer)
- Principal Accountant
- Accountant (x2)
- Accounts Technician

ROSSENDALE BOROUGH COUNCIL

Treasury Management Policy and Practices 2026/27

Effective and Efficient Council

Contents

The Treasury Management Policy Statement

The treasury management policy statement

This council defines its treasury management activities as:

1. The management of the organisation's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
2. This organisation regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
3. This council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

Clauses to be formally adopted

1. This Council will create and maintain, as the cornerstones for effective treasury management:
   - a Treasury Management Policy Statement (TMS), stating the policies, objectives and approach to risk management of its treasury management activities
   - suitable Treasury Management Practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.
   - investment management practices (IMPs) for investments that are not for treasury management purposes.

   The content of the policy statement, TMPs and IMPs will follow the recommendations contained in Sections 6, 7 and 8 of the CIPFA Treasury Management Code (the Code), subject only to amendment where necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the Code's key principles.

2. This Council will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs and IMPs.

3. This Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Director of Resources, and for the

   execution and administration of treasury management decisions to the Director of Resources, who will act in accordance with the organisation's policy statement and TMPs

4. This organisation nominates the Director of Resources to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

TMP 1 RISK MANAGEMENT

The responsible officer (in the case of Rossendale Borough Council, The Director of Resources) will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect, all in accordance with the procedures set out in TMP6 Reporting requirements and management information arrangements. In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out in the schedule to this document.

1. Credit and Counterparty Risk Management

Credit and counter-party risk is the risk of failure by a counterparty to meet its contractual obligations to the organisation under an investment, borrowing, capital project or partnership financing, particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the organisation's capital or current (revenue) resources.

This organisation regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with whom funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 Approved Instruments Methods and Techniques and listed in the schedule to this document. It also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.

The organisation's credit and counterparty policies should set out its policy and practices relating to environmental, social and governance (ESG) investment considerations. This is a developing area, and it is not implied that the organisation's ESG policy will currently include ESG scoring or other real-time ESG criteria at individual investment level.

1.1. Policy on the use of credit risk analysis techniques

1.1.1. The Council will use credit criteria in order to select creditworthy counterparties for placing investments with.

1.1.2. Credit ratings will be used as supplied from all three rating agencies - Fitch, Moodys and Standard & Poors

1.1.3. Treasury Management Consultants will provide regular updates of changes to all ratings relevant to the council.

1.1.4. The responsible officer will formulate suitable criteria for assessing and monitoring the credit risk of investment counterparties and shall construct a lending list comprising maturity periods, type, group, sector, country and counterparty limits

In addition, a credit default swap overlay is used as a further safeguard to give early warning of potential creditworthiness problems which may only belatedly lead to actual changes in credit ratings.

As this methodology is complex, readers are referred to the document produced by MUFG Asset Services "Treasury Solutions Credit Policy Guide December 2015" for a full explanation.

1.1.5. Credit ratings for individual counterparties can change at any time. The Director of Resources is responsible for applying approved credit rating criteria for selecting approved counterparties. Treasury management staff will add or delete counterparties to/from the approved counterparty list in line with the policy on criteria for selection of counterparties.

1.1.6. This organisation will not rely solely on credit ratings in order to select and monitor the creditworthiness of counterparties. In addition to credit ratings it will therefore use other sources of information including: -

- The quality financial press
- Market data
- Information on government support for banks and
- The credit ratings of that government support

1.1.7. Maximum maturity periods and amounts to be placed in different types of investment instrument are shown below. At present the maximum investment period for Specified Investments is less than 365 days.

1.1.8. Diversification: this organisation will avoid concentrations of lending and borrowing by adopting a policy of diversification. It will therefore use the following: -

Investment Type / Minimum Credit Rating (Note 1)	**Banks Unsecured (Note 2)**	**Banks Secured (Note 3)**	**Government (Note 4)**
UK Government	n/a	n/a	£ Unlimited 5 years
UK Treasury Bills	n/a	n/a	£1m in Total for 6 months
UK Local Authorities	n/a	n/a	£8m each for periods of up to 1 year £8m each for overnight / call deposits
Investment Rated A-	£5m each for 6 months	£5m each for 6 months	n/a
Money Market Funds (Note 5)	£2m per Fund up to 6 months		
Registered Providers (Note 6)	£2m in total for 1 year		
Any other organisation (Note 7)	£1.5m for maximum of 10 years		

Notes

1. *Credit rating: Investment limits are set by reference to the lowest published long-term credit rating from a selection of external rating agencies. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.*
2. *Banks unsecured: Includes accounts, deposits, certificates of deposit and unsecured bonds with banks and building societies. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.*
3. *Banks secured: Includes covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits.*
4. *Government: Includes loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts as a contingency in the event of a crisis.*
5. *Pooled Funds: These Funds are shares in diversified investment vehicles which invest in any of the investment types above (Notes 2 to 4), plus equity shares and property. These funds provide wide diversification, together with the services of a professional Fund Manager. The Money Market Funds offer same-day liquidity and very low volatility and are used as an alternative to instant access bank accounts. There is no sector limit applying to Money Market Funds although the Council will take care to diversify its liquid investments over a variety of providers to minimise risk.*
6. *Registered providers: These are longer term loans or bonds that are secured or guaranteed on the assets of Registered Providers of Social Housing. These bodies are highly regulated by the Homes and Communities Agency and are likely to receive government support if needed.*
7. *Other organisation: This is subject to an external credit assessment, specific advice from the Council's treasury management adviser and full Council approval.*

    - Operational bank accounts: The Council's own bank account which is used for all of the Council's operational activities will have a minimum credit rating of BBB- and assets greater than £25 billion. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity. The balances in the Council's own bank account will be upto a maximum of £5m, or 50% of the resources available at the time of investing, whichever is the larger.

- Country limits – normally, a minimum sovereign rating of AAA is required for an institution to be placed on our approved lending list. However, UK banks will be considered regardless of the UK's sovereign rating at the time of investment.

1.1.9. Investments will not be made with counterparties that do not have a credit rating in their own right, other than in the case of Non-specified Investments where the counterparty is one of the Council's related parties and where a charge can be placed on land or equity in order to preserve the Council's rights to its resources.

1.1.10. The definition of 'high credit quality' in order to determine what are specified investments as opposed to non specified investments which do not have high credit ratings is set out at the end of TMP1 in schedule 1.

1.1.11. Should the Council ever begin to use **external fund manager(s)** they will adhere to the counterparty credit criteria and maximum individual limits set by the Council; however, it is understood that fund manager(s) may use a subset of the counterparty list so derived.

1.2 Liquidity Risk Management

This is the risk that cash will not be available when it is needed, that ineffective management of liquidity creates additional unbudgeted costs, and that the organisation's business/service objectives will be thereby compromised.

This organisation will ensure it has adequate though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives. This organisation will only borrow in advance of need where there is a clear business case for doing so and will only do so for the current capital programme or to finance future debt maturities.

1.2.1. Amounts of approved minimum cash balances and short-term investments

The Finance Officers shall seek to minimise the balance held in the Council's main bank accounts at the close of each working day. The use of alternative call accounts and short-term notice accounts (under 90 days) shall be used in order to achieve this aim.

1.2.2. Details of:

a. Standby facilities

At the end of each financial day the balance in the Council's current account is automatically transferred to/from the Special Business Investment Account (SIBA) to maximise the interest available on the Council's operational bank accounts. In practice the current account and the SIBA account are now operated as one account. Individual daily debit balances on the current account are not treated as an overdraft.

The Council also maintain one or more on-call, and notice accounts up to 90 days with other banks. These accounts are used for reserve cash balances which may be required without notice. Such instant access is possible, but would lead to some loss of interest commensurate with the notice period waived.

b. Bank overdraft arrangements

Previous overdraft facilities have now ceased due to the sweeping action described above and following the bank imposing an arrangement fee for overdrafts on the SIBA account.

c. Short-term borrowing facilities

The Council accesses temporary loans through approved brokers on the London money market. The approved operational borrowing limit for short term debt in 2026/27 is £28.7m.

d. Insurance/guarantee facilities

There are no specific insurance or guarantee facilities as the above arrangements are regarded as being adequate to cover all unforeseen occurrences.

1.3 Interest Rate Risk Management

The risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately.

This organisation will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements as amended in accordance with TMP6 Reporting requirements and management information arrangements.

It will achieve this by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates. This should be the subject to the consideration and, if required, approval of any policy or budgetary implications.

1.3.1 Policies concerning the use of instruments for interest rate management.

a. forward dealing

Consideration will be given to dealing from forward periods dependent upon market conditions.

b. callable deposits (England and Wales only)

The Council may use callable deposits as part as of its Annual Investment Strategy (AIS), which now forms part of the Annual Treasury Management Strategy Statement. The credit criteria and maximum periods are set out in the Schedule of Specified and Non Specified Investments appended to the AIS.

1.4 Exchange Rate Risk Management

The risk that fluctuations in foreign exchange rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately.

The Council will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

1.5 Refinancing Risk Management

The risk that maturing borrowings, capital projects or partnership financings cannot be refinanced on terms that reflect the provisions made by the organisation for those refinancing, both capital and current (revenue), and/or that the terms are inconsistent with prevailing market conditions at the time.

This organisation will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the organisation as can reasonably be achieved in the light of market conditions prevailing at the time.

The Council will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid overreliance on any one source of funding if this might jeopardise achievement of the above.

1.5.1. Debt/Other Capital Financing, Maturity Profiling, Policies and Practices

The Council will establish through its Prudential and Treasury Indicators the amount of debt maturing in any year/period.

Any debt rescheduling will be considered when the difference between the refinancing rate and the redemption rate is most advantageous and the situation will be continually monitored in order to take advantage of any perceived anomalies in the yield curve. The reasons for any rescheduling to take place will include:

a) the generation of cash savings at minimum risk;
b) to reduce the average interest rate;
c) to amend the maturity profile and /or the balance of volatility of the debt portfolio.

Rescheduling will be reported to the Cabinet at the meeting immediately following its action.

1.5.2. Projected Capital Investment Requirements

In 2026/27 the decision has been made to produce only a two-year capital expenditure plan due to the Local Government Reorganisation, anticipated to be in place from April 2028. The capital plan will be used to prepare a two-year revenue budget for all forms of financing charges. In addition, the responsible officer will draw up a capital strategy report which will give a longer-term view.

The definition of capital expenditure and long-term liabilities used in the Code will follow recommended accounting practice as per the Code of Practice on Local Authority Accounting.

1.5.3 Policy Concerning Limits on Affordability and Revenue Consequences of Capital Financing

In considering the affordability of its capital plans, the Council will consider all the resources currently available/estimated for the future together with the totality of its capital plans, revenue income and revenue expenditure forecasts for the forthcoming year and the two following years and the impact these will have on council tax. It will also take into account affordability in the longer term beyond this three-year period.

The Council will use the definitions provided in the Prudential Code for borrowing, capital expenditure, capital financing requirement, debt, financing costs, investments, net borrowing, net revenue stream, other long-term liabilities.

1.6 Legal and Regulatory Risk Management

The risk that the organisation itself, or an organisation with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the organisation suffers losses accordingly.

This organisation will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under TMP1[1] credit and counterparty risk management, it will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may affect with the organisation, particularly with regard to duty of care and fees charged.

This organisation recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the organisation.

1.6.1. References to Relevant Statutes and Regulations –

The treasury management activities of the Council shall comply fully with legal statute, guidance, Codes of Practice and the regulations of the Council, and as amended during the period of the Treasury Management Strategy Statement (TMS). These include but are not limited to:

- Local Government Finance Act 1988 Section 114 – duty on the responsible officer to issue a report if the Council is likely to get into a financially unviable position.
- Requirement to set a balanced budget - Local Government Finance Act 1992 Section 32 for billing authorities and Section 43 for major precepting authorities.
- Local Government Act 2003
- S.I. 2003 No. 2938 Local Government Act 2003 (Commencement No.1 and Transitional Provisions and Savings) Order 2003 (13.11.03)
- S.I. 2003 No. 3146 Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and associated commentary (10.12.03), as amended, including by S.I. 2015 No. 341, S.I. 2021 No. 611, S.I. 2022 No. 1232, S.I. 2023 No. 241, S.I. 2024 No. 478 and S.I. 2025 No. 422, and subsequent amendments.
- S.I. 2004 No. 533 Local Authorities (Capital Finance) (Consequential, Transitional and Savings Provisions) Order 2004 (8.3.04)
- S.I. 2004 No. 534 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2004 (8.3.04)
- S.I. 2004 No. 3055 The Local Authorities (Capital Finance and Accounting) (Amendment) (England) (No. 2) Regulations 2004
- S.I. 2006 No. 521 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2006
- S.I. 2007 No. 573 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2007
- Local Government and Public Involvement in Health Act 2007 s238(2) – power to issue guidance; to be used re: MRP
- S.I. 2008 No. 414 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2008
- S.I. 2009 No. 321 Local Authorities (Capital Finance and Accounting) (Amendment) (England) Regulations 2009

- S.I. 2009 No. 2272 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No.2) Regulations 2009
- S.I. 2009 No. 3093 The Local Government Pension Fund Scheme (Management and Investment of Funds) Regulations 2009
- S.I. 2010 No. 454 (Capital Finance and Accounting) (Amendment) (England) Regulations 2010
- Localism Act 2011
- S.I. 2012 No. 265 Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2012
- S.I. 2012 No. 711 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No. 2) Regulations 2012
- S.I. 2012 No. 1324 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No.3) Regulations 2012
- S.I. 2012 No. 2269 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No. 4) Regulations 2012
- S.I. 2013 No. 476 The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2013
- S.I. 2015 No. 234 Accounts and Audit Regulations 2015, as amended, including by the Accounts and Audit (Amendment) Regulations issued between 2016 and 2024, and subsequent amendments.

Guidance and codes of practice

- CIPFA's Treasury Management Codes of Practice and Guidance Notes 2021,
- CIPFA Prudential Code for Capital Finance in Local Authorities 2021
- CIPFA Local Authority Capital Accounting (latest edition)
- CIPFA Standard of Professional Practice on Ethics – based on the International Ethics Standards Board for Accountants (IESBA) Code of Ethics (2018).
- The Good Governance Standard for Public Services 2004
- Delivering Good Governance in Local Government: Framework (CIPFA / SOLACE), as updated.
- CIPFA LAAP (Local Authority Accounting Panel) Bulletins and guidance, as issued and updated.
- CIPFA Code of Practice on Local Authority Accounting in the United Kingdom (based on IFRS), as adopted for the relevant financial year.
- Public Works Loan Board (PWLB) circulars and guidance on lending policy, as issued.
- The UK Money Markets Code (formerly known as The London Code of Conduct / Non-Investment Products Code (NIPS) for principals and broking firms in the wholesale markets.
- Relevant provisions of the Financial Conduct Authority (FCA) Handbook, including market conduct and investment rules.
- The Council's Standing Orders relating to Contracts
- The Council's Financial Regulations
- The Council's Scheme of Delegated Functions

1.6.2 Procedures for Evidencing the Council's Powers/Authorities to Counterparties

The Council's powers to borrow and invest are contained in legislation.

Investing: Local Government Act 2003, Section 12
Borrowing: Local Government Act 2003, Section 1

In addition, the Council will make available, on request, the following the scheme of delegation for treasury management activities set out in the Treasury Management Strategy, which specifies:

- which officers carry out these duties
- which officers are the authorised signatories

Required Information on Counterparties

Lending shall only be made to counterparties on the Approved Lending list. This list has been compiled using advice from the Council's treasury advisers based upon credit ratings supplied by Fitch, Moodys and Standard & Poors. Lending can also be made to one of the Council's related parties or subsidiaries.

1.6.3 Statement on the Council's Political Risks and Management of Same

The Director of Resources shall take appropriate action with the Council, the Chief Executive Officer and the Leader of the Council to respond to and manage appropriately political risks such as change of majority group, leadership in the Council, change of Government etc.

1.6.4 Monitoring Officer

It is the duty of the monitoring officer to ensure that the treasury management activities of the Council are lawful.

1.6.5. Director of Resources

The Director of Resources is the s.151 Officer. The duty of this officer is to ensure that the financial affairs of the Council are conducted in a prudent manner and to make a report to the Council if he has concerns as to the financial prudence of its actions or its expected financial position.

1.7 Fraud, Error and Corruption, and Contingency Management

The risk that the Council fails to identify the circumstances in which it may be exposed to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings, and fails to employ suitable systems and procedures and maintain effective contingency management arrangements to these ends. It includes the area of risk commonly referred to as operational risk.

This Council will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

The Council will therefore:-

a) Seek to ensure an adequate division of responsibilities and maintenance of an adequate level of internal checks which minimise such risks at all times.
b) Fully document all its treasury management activities so that there can be no possible confusion as to what proper procedures are.
c) Staff will not be allowed to take up treasury management activities until they have had proper training in procedures and are then subject to an adequate and appropriate level of supervision.
d) Records will be maintained of all treasury management transactions so that there is a full audit trail and evidence of the appropriate checks being carried out.

1.7.1. Details of Systems and Procedures to be Followed, Including Internet Services

Authority

- The Scheme of Delegation to Officers sets out the delegation of duties to officers.
- All loans and investments are negotiated by the responsible officer or authorized persons.
- Loan procedures are defined in the Financial Regulations section of the Council's Constitution.

Procedures

- The electronic banking procedures include internet access to the Council's bank accounts for both downloading statements and entering one-off same-day transactions. The electronic authorisation of transactions through chip and pin cards and passwords follows the same pattern of required signatories as paper transactions do (i.e. one signature up to £5,000 and two signatures for transactions over £5,000).

- Autopay online is the system used by the Council for the transfer of payment and collection files to the BACs processing centre. BACs collection and payment files are generated by the payroll, creditors, benefits and revenues software systems and transferred through a secure internet portal by the authorised signatories. Files must be generated, approved and sent by two different people.
- Full details of operational procedures are maintained by the Finance Officer (Exchequer Services).

Investment and borrowing transactions

- A detailed register of all loans and investments is maintained by the Finance Officer (Exchequer Services). A written acknowledgement of each deal is sent promptly to the lending or borrowing institution where transactions are done directly with the organisation.
- Written confirmation is received and checked against the dealer's records for the transaction.
- Any discrepancies are immediately reported to the Director of Resources for resolution.
- All transactions placed through brokers are confirmed by a broker note showing details of the loan arranged. Written confirmation is received and checked against the dealer's records for the transaction. Any discrepancies are immediately reported to the Director of Resources for resolution.

Regularity and security

- Lending is only made to institutions on the Approved List of Counterparties.
- All loans raised, and repayments made, go directly to and from the bank account of approved counterparties.
- Counterparty limits are set for every institution that the Council invests with.
- Brokers have a list of named officials authorised to agree deals.
- There is a separation of duties in the section between dealers and the checking and authorisation of all deals.
- The Council's bank holds a list of Council officials who are authorised signatories for treasury management transactions.
- Payments can only be authorised in a formal letter by an authorised signatory, the list of signatories having previously been agreed with the current provider of our banking services.
- The NatWest Bankline system can only be accessed by a password and online payments require chip and pin authorisation from one or more of the bank signatories (two for payments over £5,000).
- There is adequate insurance cover for employees involved in loans management and accounting.

Checks

- The bank reconciliation is carried out monthly from the bank statement to the financial ledger.
- A debt charge/investment income listing is produced every month when a review is undertaken against the budget for interest earnings and debt costs.

Calculations

- The calculation of repayment of principal and interest notified by the lender or borrower is checked for accuracy against the amount calculated by the Finance Officer (Exchequer Services). This is used to check the amount paid to lenders.
- These interest and expense rates are then used to calculate the principal, interest and debt management expense charges to the General Fund.

1.7.2. Emergency and Contingency Planning Arrangements
Disaster Recovery Plan.

The Council's main Business Continuity Plan includes a detailed section covering the essential financial systems and procedures, including banking, payments and revenue collection. All members of the treasury management team are familiar with this plan and new members will be briefed on it. The plan is reviewed and updated at regular intervals with both paper and electronic copies being available.

All computer files are backed up on the server to enable files to be accessed from remote sites.

1.7.3. Insurance Cover Details

Fidelity Insurance

The Council has 'Fidelity' insurance cover with Zurich Municipal which covers the loss of cash by fraud or dishonesty of employees. This cover is limited to £5m for any one event with an excess of £5k for any one event.

Professional Indemnity Insurance

The Council also has an 'Officials Indemnity' insurance policy with Zurich Municipal which covers loss to the Council from the actions and advice of its officers which are negligent and without due care. This cover is limited to £5m for any one event with an excess of £5k for any one event.

1.8 Market Risk Management

The risk that, through adverse market fluctuations in the value of the principal sums an organisation borrows and invests, its stated treasury management policies and objectives are compromised, against which effects it has failed to protect itself adequately.

This organisation will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations.

1.8.1. Details of Approved Procedures and Limits for Controlling Exposure to Investments whose Capital Value May Fluctuate (Gilts, CDs, Etc.)

These are controlled through setting limits on investment instruments where the principal value can fluctuate. The limits are determined and set through the Annual Investment Strategy (which now forms part of the Annual Treasury Management Strategy Statement).

TMP 2 PERFORMANCE MEASUREMENT

2.1 Evaluation and Review of Treasury Management Decisions

The Council has a number of approaches to evaluating treasury management decisions:

a. monthly reviews carried out by the Director of Resources and Head of Financial Services, reported as part of the regular financial monitoring reports to Cabinet.
b. weekly review reports from our treasury management consultants detailing current markets, forecasts and model portfolio returns.
c. annual review of performance and strategy with our treasury management consultants.
d. comparative reviews with neighbouring authorities.

2.1.2 Reviews with our treasury management consultants

The Director of Resources meets with our consultants every 12 months to review the performance of the investment and debt portfolios. Ad-hoc reviews are conducted by arrangement as outlined at 2.3.4.

2.1.3 Annual Review after the end of the financial year

In addition to the regular financial monitoring reports to Cabinet, the end of March out-turn report includes an annual treasury management report which reviews the performance of the debt and investment portfolios. This report contains the following:

a. total debt and investments at the beginning and close of the financial year and average interest rates
b. borrowing strategy for the year compared to actual strategy
c. investment strategy for the year compared to actual strategy
d. explanations for variance between original strategies and actual
e. debt rescheduling done in the year
f. actual borrowing and investment rates available through the year
g. comparison of return on investments to the investment benchmark
h. compliance with Prudential and Treasury Indicators

2.1.4 Comparative reviews

When data becomes available, comparative reviews are undertaken to see how the performance of the Authority on debt and investments compares to other authorities with similar size portfolios (but allowing for the fact that Prudential and Treasury Indicators are locally set). Data can be sourced from: -

- CIPFA Treasury Management statistics published each year for the last complete financial year
- Neighbouring Lancashire authorities
- MUFG Asset Services model portfolio

2.2 Benchmarks and Calculation Methodology:

2.2.1 Debt management

- Average rate on all external debt
- Average period to maturity of external debt
- Average period to maturity of new loans in previous year

2.2.2 Investment

The performance of investment earnings will be measured against the following benchmarks: -

MUFG Asset Services model portfolio

- *Weighted average rate of return*
- *Weighted average maturity*

Performance may also be measured against other local authority funds with similar benchmarks and parameters managed by other fund managers.

2.3 Policy concerning methods for testing Value for Money in Treasury Management

2.3.1 Frequency and processes for tendering

Tenders are normally awarded on a five-year basis. The process for awarding contracts will be in line with the Council's Contract Standing Orders.

2.3.2 Banking services

The Council's banking arrangements are to be subject to competitive tender unless it is considered that there will be changes in the volume of transactions in the foreseeable future which renders a shorter period appropriate.

2.3.3 Money-broking services

The Council may use money broking services in order to make deposits or to borrow, and will establish charges for all services prior to using them.

2.3.4 Consultants'/advisers' services

This Council's policy is not to appoint full-time professional treasury management consultants (MUFG Asset Services advise on an ad hoc basis, alongside automated updates).

2.3.5 Policy on External Managers (Other than relating to Superannuation Funds)

The Council's policy is not to appoint external investment fund managers.

TMP 3 DECISION-MAKING AND ANALYSIS

3.1 Funding, Borrowing, Lending, and New Instruments/Techniques:

3.1.1 Records to be kept

The following records will be retained:-

- Daily and monthly cash balance forecasts
- Brokers' confirmations for investment and temporary borrowing transactions
- Confirmations from borrowing /lending institutions where deals are done directly
- PWLB loan confirmations
- PWLB debt portfolio schedules.
- Certificates for market loans, local bonds and other loans
- Contract notes received from fund manager(s)
- Fund manager(s) valuation statements (if applicable)

3.1.2 Processes to be pursued

- Cash flow analysis.
- Debt and investment maturity analysis
- Ledger reconciliation
- Review of opportunities for debt restructuring (if applicable)
- Review of borrowing requirement to finance capital expenditure (and other forms of financing where those offer value for money)
- Performance information (for example, monitoring of actual against budget for debt charges, interest earned, debt management; also monitoring of average pool rate, investment returns, etc).

3.1.3 Issues to be addressed

3.1.3.1. In respect of every treasury management decision made the Council will:

a) Above all, be clear about the nature and extent of the risks to which the Council may become exposed
b) Be certain about the legality of the decision reached and the nature of the transaction, and that all authorities to proceed have been obtained
c) Be content that the documentation is adequate both to deliver the Council's objectives and protect the Council's interests, and to deliver good housekeeping
d) Ensure that third parties are judged satisfactory in the context of the Council's creditworthiness policies, and that limits have not been exceeded
e) Be content that the terms of any transactions have been fully checked against the market, and have been found to be competitive.

3.1.3.2 In respect of borrowing and other funding decisions, the Council will:

a) consider the ongoing revenue liabilities created, and the implications for the organisation's future plans and budgets
b) evaluate the economic and market factors that might influence the manner and timing of any decision to fund
c) consider the merits and demerits of alternative forms of funding, including funding from revenue, leasing and private partnerships
d) consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use and, if relevant, the opportunities for foreign currency funding.

3.1.3.3 In respect of investment decisions, the Council will:

a) consider the optimum period, in the light of cash flow availability and prevailing market conditions;
b) consider the alternative investment products and techniques available, especially the implications of using any which may expose the Council to changes in the value of its capital;
c) in the case of investments outside the banking sector the Council will consider the appropriate level of asset security, such as Land Registry charges, local Land Charges, or holding asset deeds.

TMP 4 APPROVED INSTRUMENTS, METHODS AND TECHNIQUES

4.1 Approved Activities of the Treasury Management Operation

- borrowing
- lending
- debt repayment and rescheduling
- consideration, approval and use of new financial instruments and treasury management techniques
- managing the underlying risk associated with the Council's capital financing and surplus funds activities
- managing cash flow
- banking activities
- the use of external fund managers (other than Pension Fund)
- leasing

4.2 Approved Instruments for Investments

Refer to the Treasury Management Strategy.

4.3 Approved Techniques

- Forward dealing
- The use of structured products such as callable deposits

4.4 Approved Methods and Sources of Raising Capital Finance

Finance will only be raised in accordance with the Local Government Act 2003 and within this limit the Council has a number of approved methods and sources of raising capital finance. These are:

On Balance Sheet	**Fixed**	**Variable**
PWLB	●	●
Market (long term)	●	●
Market (temporary)	●	●
Market (LOBOs)	●	●
Local temporary	●	●
Local Bonds	●	
Overdraft		●
Internal (capital receipts & revenue balances)	●	●
Leasing	●	●
Deferred Purchase	●	●

Other Methods of Financing

- Government and EC Capital Grants
- Lottery monies
- PFI/PPP

Borrowing will only be done in Sterling. All forms of funding will be considered dependent on the prevailing economic climate, regulations and local considerations. The responsible officer has delegated powers in accordance with Financial Regulations, Standing Orders, the Scheme of Delegation to Officers Policy and the Treasury Management Strategy to take the most appropriate form of borrowing from the approved sources.

4.5 Investment Limits

The Treasury Management Strategy Statement sets out the limits and the guidelines for use of each type of investment instrument.

4.6 Borrowing Limits

See the Treasury Management Strategy Statement and Prudential and Treasury Indicators.

TMP 5 Organisation, Clarity and Segregation of Responsibilities and Dealing Arrangements

5.1 Allocation of responsibilities

(i) Full Council

- receiving and reviewing reports on treasury management policies, practices and activities
- approval of annual treasury management strategy
- approval of capital strategy and capital programme
- approval of annual revenue budget

(ii) Cabinet

- recommendation of amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
- budget consideration and recommendations
- approval of the division of responsibilities
- receiving and reviewing regular monitoring reports and acting on recommendations
- approving the selection of external service providers and agreeing terms of appointment
- reviewing the treasury management policy and procedures

5.2 Principles and Practices Concerning Segregation of Duties

5.2.1 The following duties must be undertaken by separate officers: -

Dealing	Negotiation and approval of deal. Receipt and checking of brokers confirmation note against loans diary. Reconciliation of cash control account. Bank reconciliation
Accounting Entry	Production of transfer note. Processing of accounting entry
Authorisation/Payment of Deal	Entry onto system. Approval and payment.

5.3 Treasury Management Organisation Chart

Director of Resources

I

Head of Financial Services

I

Finance Officer
(Exchequer Services)

5.4 Statement of the treasury management duties/responsibilities of each treasury post

5.4.1. The responsible officer

The responsible officer is the person charged with professional responsibility for the treasury management function and in this Council is the Director of Resources (this post is also the S151 officer). This officer will carry out the following duties: -

a) recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
b) submitting regular treasury management policy reports
c) submitting budgets and budget variations
d) receiving and reviewing management information reports
e) reviewing the performance of the treasury management function
f) ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
g) ensuring the adequacy of internal audit, and liaising with external audit
h) recommending the appointment of external service providers.
i) The responsible officer has delegated powers through this policy to take the most appropriate form of borrowing from the approved sources, and to make the most appropriate form of investments in approved instruments.
j) The responsible officer may delegate his power to borrow and invest to members of his staff, principally the Head of Financial Services, to act as temporary cover for leave/sickness. All transactions must be authorised by at least two of the bank signatories as approved in the Treasury Management Strategy Appendix 5.6.
k) The responsible officer will ensure that Treasury Management Policy is adhered to, and if not will bring the matter to the attention of elected members as soon as possible.
l) Prior to entering into any capital financing, lending or investment transaction, it is the responsibility of the responsible officer to be satisfied, by reference to the Council's legal department and external advisors as appropriate, that the proposed transaction does not breach any statute, external regulation or the Council's Financial Regulations
m) It is also the responsibility of the responsible officer to ensure that the Council complies with the requirements of The Non Investment Products Code (formerly known as The London Code of Conduct) for principals and broking firms in the wholesale markets.

5.4.2. Head of Financial Services (Deputy S151 officer)

The responsibilities of this post will be: -

a) duties as delegated by the responsible officer in accordance with 5.4.1 (j)
b) execution of transactions in accordance with good governance arrangements and adequate segregation – (second signatory)
c) oversight and review of forecast cash balances to inform treasury management decision making.

5.4.3. Finance Officer (Exchequer Services)

The responsibilities of this post will be: -

a) execution of transactions
b) adherence to agreed policies and practices on a day-to-day basis
c) maintaining relationships with counterparties and external service providers
d) monitoring performance on a day-to-day basis
e) submitting management information reports to the responsible officer
f) identifying and recommending opportunities for improved practices

5.4.4. The Head of the Paid Service – the Chief Executive

The responsibilities of this post will be: -

a) Ensuring that the system is specified and implemented
b) Ensuring that the responsible officer reports regularly to Full Council and Cabinet on treasury policy, activity and performance.

5.4.5. The Monitoring Officer

The responsibilities of this post will be: -

a) Ensuring compliance by the responsible officer with the treasury management policy statement and treasury management practices and that they comply with the law.
b) Being satisfied that any proposal to vary treasury policy or practice complies with law or any code of practice.
c) Giving advice to the responsible officer when advice is sought.

5.4.6. Internal Audit

The responsibilities of Internal Audit will be: -

a) Reviewing compliance with approved policy and treasury management practices.
b) Reviewing division of duties and operational practice.
c) Assessing value for money from treasury activities.
d) Undertaking probity audit of treasury function.

5.5 Absence Cover Arrangements

The Head of Financial Services is also the deputy S151 Officer. The Head of Financial Services will also ensure that cover is available for the Finance Officer (Exchequer Services) and other treasury management officers as necessary.

If and when this organisation intends, as a result of lack of resources or other circumstances, to depart from these principles, the responsible officer will ensure that the reasons are properly reported in accordance with TMP6 Reporting requirements and management information arrangements and the implications properly considered and evaluated.

5.6 Dealing Limits

The following posts are authorised to deal:

- The Director of Resources, who delegates authority to the Head of Finance where necessary, limited to investments and loans of £5m per transaction. Amounts in excess of this limit should be deposited into instant access accounts.

5.7 Policy on Brokers' Services

It is this Council's policy to rotate business between brokers.

5.8 Policy on Taping of Conversations

It is not this Council's policy to tape brokers conversations.

5.9 Direct Dealing Practices

The Council will consider dealing directly with counterparties if it is appropriate and the Council believes that better terms will be available. At present, most deals are arranged by this method. There are certain types of accounts and facilities, however, where direct dealing is required, as follows;

- Business Reserve Accounts:
- Call Accounts:
- Money Market Funds.

5.10 Settlement Transmission Procedures

A formal letter signed by an agreed bank signatory setting out each transaction must be sent to the local authority's bankers where preliminary instructions have been given by telephone. For payments a transfer will be made through BACs or CHAPs to be completed by the appropriate bank deadlines in place that day.

5.11 Documentation Requirements

For each deal undertaken a record should be prepared giving details of dealer, amount, period, counterparty, interest rate, dealing date, payment date(s), broker.

5.12 Arrangements Concerning the Management of Third-Party Funds.

The Council does not currently manage any third-party funds. Trust funds are now held and administered by the Community Foundation for Lancashire.

5.13 Council Cheque and Bank Signatories

The posts delegated with cheque and bank signatory authority are listed below:

- Director of Resources (S151)
- Head of Financial Services (Deputy S151)
- Principal Accountant
- Accountant
- Finance Officer (Exchequer Services)

TMP 6 Reporting Requirements and Management Information Arrangements

6.1 Annual programme of reporting

a) Annual reporting requirements before the start of the year: -
    a. review of the organisation's approved clauses, treasury management policy statement and practices
    b. strategy report on proposed treasury management activities for the year comprising of the Treasury Management Strategy Statement, Annual Investment Strategy and Minimum Revenue Provision Policy Statement
    c. capital strategy to give a longer-term view of the capital programme and treasury management implications thereof beyond the three-year time horizon for detailed planning
b) Regular review by Cabinet within the Financial Monitoring Reports incorporating Mid-Year Review
c) Annual review report after the end of the year within the out-turn Financial Monitoring Report.

6.2 Annual Treasury Management Strategy Statement (TMS)

1. The Treasury Management Strategy Statement sets out the specific expected treasury activities for the forthcoming financial year. This strategy will be submitted to the Cabinet and then to the full Council for approval before the commencement of each financial year.

2. The formulation of the annual Treasury Management Strategy Statement involves determining the appropriate borrowing and investment decisions in the light of the anticipated movement in both fixed and shorter-term variable interest rates. For instance, this Council may decide to postpone borrowing if fixed interest rates are expected to fall, or borrow early if fixed interest rates are expected to rise.

3. The Treasury Management Strategy Statement is concerned with the following elements:
    a) prudential and treasury indicators
    b) current treasury portfolio position
    c) borrowing requirement
    d) prospects for interest rates
    e) borrowing strategy
    f) policy on borrowing in advance of need
    g) debt rescheduling
    h) investment strategy
    i) creditworthiness policy
    j) policy on the use of external service providers
    k) any extraordinary treasury issue
    l) the MRP/VRP strategy

4. The Treasury Management Strategy Statement will establish the expected move in interest rates against alternatives (using all available information such as published interest rate forecasts where applicable), and highlight sensitivities to different scenarios.

6.3 The Annual Investment Strategy

Included within the Treasury Management Strategy Statement is the report on the Annual Investment Strategy which sets out the following: -

a) The Council's risk appetite in respect of security, liquidity and optimum performance
b) The definition of high credit quality to determine what are specified investments as distinct from non-specified investments
c) Which specified and non-specified instruments the Council will use
d) Whether they will be used by the in-house team, external managers or both (if applicable)
e) The Council's policy on the use of credit ratings and other credit risk analysis techniques to determine creditworthy counterparties for its approved lending list
f) Which credit rating agencies the Council will use
g) How the Council will deal with changes in ratings, rating watches and rating outlooks
h) Limits for individual counterparties and group limits
i) Country limits
j) Levels of cash balances
k) Interest rate outlook
l) Budget for investment earnings
m) Policy on the use of external service providers

6.4 The Annual Minimum Revenue Provision Policy Statement

This statement will be submitted as one element of the Annual Treasury Management Strategy Statement and will set out how the Council will make revenue provision for repayment of its borrowing using the four options for so doing.

6.5 Policy on Prudential and Treasury Indicators

1. The Council approves before the beginning of each financial year a number of treasury limits which are set through Prudential and Treasury Indicators.
2. The responsible officer is responsible for incorporating these limits into the Annual Treasury Management Strategy Statement, and for ensuring compliance with the limits. Should it prove necessary to amend these limits, the responsible officer shall submit the changes for approval to the full Council.

6.6 Regular and midyear review

The Council will review its treasury management activities and strategy on at least a six-monthly basis, though in practice as part of regular financial monitoring to Cabinet. This review will consider the following:

a) activities undertaken
b) variations (if any) from agreed policies/practices
c) interim performance report
d) regular monitoring
e) monitoring of treasury management indicators for local authorities.

6.7 Management Information Reports, including a year-end performance report

Management information reports will be prepared for each Cabinet meeting, the final report going to the first available Cabinet after the year-end. These reports will contain the following information: -

a) a summary of transactions executed (may want to add brokers used and fees paid) and their revenue (current effects);

b) measurements of performance including effect on loan charges/investment income;

c) degree of compliance with original strategy and practices and explanation of variances.

d) any non-compliance with Prudential limits or other treasury management limits.

6.8 Publication of Treasury Management Reports

Treasury Management information reports will be prepared for each Cabinet meeting and these are available as part of the agenda documents on the Council's website at www.rossendale.gov.uk .

The Annual Treasury Management Strategy Statement and the Treasury Management Practices are reviewed at the Full Council meeting each February and are again available as part of the agenda documents on the Council's website at www.rossendale.gov.uk.

TMP 7 BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS

7.1 Statutory/Regulatory Requirements

The accounts are drawn up in accordance with the Code of Practice on Local Authority Accounting in Great Britain that is recognised by statute as representing proper accounting practices. The Council has also adopted in full the principles set out in CIPFA's 'Treasury Management in the Public Services - Code of Practice' (the 'CIPFA Code') 2021 edition, together with those of its specific recommendations that are relevant to this Council's treasury management activities.

7.2 Sample Budgets / Accounts / Prudential and Treasury Indicators

The Director of Resources will prepare at least a two-year medium term financial plan with Prudential and Treasury Indicators for treasury management which will incorporate the budget for the forthcoming year and provisional estimates for the following two years. This will bring together all the costs involved in running the function, together with associated income. The Director of Resources will exercise effective controls over this budget and monitoring of performance against Prudential and Treasury Indicators, and will report upon and recommend any changes required in accordance with TMP6.

The matters to be included in the budget will at minimum be those required by statute or regulation, together with such information as will demonstrate compliance with TMP1 Risk management, TMP2 Performance measurement, and TMP4 Approved instruments, methods and techniques.

7.3 List of Information Requirements of External Auditors.

- Reconciliation of loans outstanding in the financial ledger to Treasury Management records
- Maturity analysis of loans outstanding
- Certificates for new long-term loans taken out in the year
- Reconciliation of loan interest, discounts received and premiums paid to financial ledger by loan type
- Calculation of loans fund interest and debt management expenses
- Details of interest rates applied to internal investments
- Calculation of interest on working balances
- Interest accrual calculation
- Principal and interest charges reports from the ledgers
- Analysis of any deferred charges
- Calculation of loans fund creditors and debtors
- Annual Treasury Report
- Treasury Management Strategy Statement and Prudential and Treasury Indicators
- Review of observance of limits set by Prudential and Treasury Indicators
- Calculation of the Minimum Revenue Provision
- External fund manager(s) valuations including investment income schedules and movement in capital values (if applicable)

7.4 Quarterly Budget Monitoring Report

Quarterly Budget Monitoring reports are produced for the Director of Resources with these reports being reviewed by Cabinet. The report is intended to highlight any variances between budgets and spend in order that the Council can assess its financial position. Details of treasury management activities are included within the Cabinet report.

TMP 8 Cash and Cash Flow Management

8.1 Arrangements for Preparing/Submitting Cash Flow Statements

Cash flow projections are prepared annually and updated monthly and daily. The annual and monthly cash flow projections are prepared according to known changes in levels of income and expenditure and also changes in payments and receipts dates. These details are supplemented on an ongoing basis by information received of new or revised amounts to be paid or received as and when they are known.

The responsible officer will ensure that these are adequate for the purposes of monitoring compliance with TMP1 - Liquidity risk management, and for the purpose of identifying future borrowing needs.

8.2 Bank Statements Procedures

The Council receives daily bank statements via a daily download of data from its bank. All amounts on the statement are checked to source data from Payroll, Creditors etc.

A formal bank reconciliation is undertaken on a monthly basis by the Finance Team.

8.3 Payment Scheduling and Agreed Terms of Trade with Creditors

Our policy is to pay all creditors as per the agreed terms of trading.

8.4 Arrangements for Monitoring Debtors / Creditors Levels

The Head of Finance is responsible for monitoring the levels of debtors and creditors.

8.5 Procedures for Banking of Funds

All money received by an officer on behalf of the Council will, without unreasonable delay, be passed to the Exchequer Team to deposit in the Council's banking accounts. Cash and cheques banked the previous day will be taken into account in the daily cash flow.

8.6 Practices Concerning Prepayments to Obtain Benefits

The Council has no formal arrangement in place. Where such opportunities arise, the prepayment would be sought and authorised by the Director of Resources.

TMP 9 Money Laundering & Proceeds of Crime

9.1 Proceeds of Crime Act 2002

Money laundering has the objective of concealing the origin of money generated through criminal activity. Legislation has given a higher profile to the need to report suspicions of money laundering. The Proceeds of Crime Act (POCA) 2002 (and associated Orders and amendments, including those enacted in 2024 and 2025) established the main offences relating to money laundering. In summary, these are:

- concealing, disguising, converting, transferring or removing criminal property from England and Wales, from Scotland or from Northern Ireland
- being concerned in an arrangement which a person knows or suspects facilitates the acquisition, retention, use or control of criminal property
- acquiring, using or possessing criminal property.

These apply to all persons in the UK in a personal and professional capacity. Any person involved in any known or suspected money-laundering activity in the UK risks a criminal conviction. Other offences under the POCA include:

- failure to disclose money-laundering offences
- tipping off a suspect, either directly or indirectly
- doing something that might prejudice an investigation – for example, falsifying a document.

9.2 The Terrorism Act 2000, as amended by subsequent legislation (including the Terrorism Act 2006, Counter-Terrorism and Security Act 2015, and related provisions)

This act made it an offence of money laundering to become concerned in an arrangement relating to the retention or control of property likely to be used for the purposes of terrorism, or resulting from acts of terrorism. All individuals and businesses in the UK have an obligation to report knowledge, reasonable grounds for belief or suspicion about the proceeds from, or finance likely to be used for, terrorism or its laundering, where it relates to information that comes to them in the course of their business or employment.

9.3 The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, and subsequent amendments

Organisations pursuing relevant business (especially those in the financial services industry regulated by the FSA) are required to appoint a nominated officer and implement internal reporting procedures; train relevant staff in the subject; establish internal procedures with respect to money laundering; obtain, verify and maintain evidence and records of the identity of new clients and transactions undertaken and report their suspicions.

9.4 Local authorities

Public service organisations and their staff are subject to the full provisions of the Terrorism Act 2000 and subsequent Terrorism Acts and may commit most of the principal offences under the POCA, but are not legally obliged to apply the provisions of the Money Laundering, Terrorist Financing and Transfer of Funds regulations 2017. However, as responsible public bodies, they should employ policies and procedures which reflect the essence of the UK's anti-terrorist financing, and anti-money laundering, regimes.

Accordingly, this Council will do the following: -

a) evaluate the prospect of laundered monies being handled by them
b) determine the appropriate safeguards to be put in place
c) require every person engaged in treasury management to make themselves aware of their personal and legal responsibilities for money laundering awareness
d) make all its staff aware of their responsibilities under POCA
e) appoint a member of staff to whom they can report any suspicions. This person is Director of Resources.
f) in order to ensure compliance is appropriately managed, this Council will require senior management to give appropriate oversight, analysis and assessment of the risks of clients and work/product types, systems for monitoring compliance with procedures and methods of communicating procedures and other information to personnel.
g) The officer responsible for the creation and monitoring the implementation of a corporate anti money laundering policy and procedures is The Head of Legal and Democratic Services and it shall be a requirement that all services and departments implement this corporate policy and procedures.

9.5 Procedures for Establishing Identity / Authenticity of Lenders

It is not a requirement under POCA for local authorities to require identification from every person or organisation it deals with. However, in respect of treasury management transactions, there is a need for due diligence and this will be impacted by following the procedures above.

The Council does not accept loans from individuals.

All loans are obtained from the PWLB, other local authorities or from authorised institutions under the Financial Services and Markets Act 2000. This register can be accessed through the FCA website on www.fca.gov.uk.

When repaying loans, the procedures in 9.6 will be followed to check the bank details of the recipient.

9.6 Methodologies for Identifying Deposit Takers

In the course of its treasury activities, the Council will only lend money to or invest with those counterparties that are on its approved lending list. These will be local authorities, the PWLB, Bank of England and authorised deposit takers under the Financial Services and Markets Act 2000. The FCA register can be accessed through their website on www.fca.gov.uk.

All transactions will be carried out by BACS or CHAPs for making deposits or repaying loans.

TMP 10 Training and Qualifications

The Council recognises that relevant individuals will need appropriate levels of training in treasury management due to its increasing complexity. There are two categories of relevant individuals: -

a) Treasury management staff employed by the Council
b) Members charged with governance of the treasury management function

All treasury management staff should receive appropriate training relevant to the requirements of their duties at the appropriate time. The Council operates a Personal Development Review system which identifies the training requirements of individual members of staff engaged on treasury related activities.

Additionally, training may also be provided on the job and it will be the responsibility of the Director of Resources to ensure that all staff under his / her authority receive the level of training appropriate to their duties. This will also apply to those staff who from time to time cover for absences from the treasury management team.

10.1 Details of Approved Training Courses

Treasury management staff and members will go on courses provided in-house or by our treasury management consultants, CIPFA, money brokers etc.

10.2 Records of Training Received by Treasury Staff

The People and Policy department will maintain records on all staff and the training they receive.

10.3 Record of Secondment of Senior Management

Records will be kept of senior management who are seconded into the treasury management section in order to gain firsthand experience of treasury management operations.

10.4 Statement of Professional Practice (SOPP)

1. Where the Director of Resources is a member of CIPFA, there is a professional need for the Director to be seen to be committed to professional responsibilities through both personal compliance and by ensuring that relevant staff are appropriately trained.
2. All staff involved in treasury management activities must also comply with the SOPP.

10.6 Member training records

Records will be kept of all training in treasury management provided to members.

10.7 Members charged with governance

Members charged with diligence also have a personal responsibility to ensure that they have the appropriate skills and training for their role.

TMP 11 Use of External Service Providers

11.1 Details of Contracts with Service Providers, Including Bankers, Brokers, Consultants, Advisers

This Council will employ the services of other organisations to assist it in the field of treasury management. In particular, it will use external consultants to provide specialist advice in this ever more complex area. However, it will ensure that it fully understands what services are being provided and that they meet the needs of this organisation, especially in terms of being objective and free from conflicts of interest.

It will also ensure that the skills of the in-house treasury management team are maintained to a high enough level whereby they can provide appropriate challenge to external advice and can avoid undue reliance on such advice.

Treasury management staff and their senior management will therefore be required to allocate appropriate levels of time to using the following sources of information so that they are able to develop suitable levels of understanding to carry out their duties, especially in challenge and avoiding undue reliance.

- The quality financial press
- Market data
- Information on government support for banks an
- The credit ratings of that government support

11.1.1 Banking Services

a) Name of supplier of service is the NatWest Bank.

b) Regulatory status – banking institution authorised to undertake banking activities by the FSA

c) The branch address is:

Chatham Customer Service Centre,
Western Avenue, Waterside Court,
Chatham Maritime,
Chatham,
Kent,
ME4 4RT

Tel: 0151 802 9354 (Business Banking) or
0870 240 3355 (Branch Banking)

d) Contract commenced 1992

e) Cost of service is variable depending on a schedule of tariffs set annually applied to volumes of transactions

f) Payments are due monthly and quarterly

11.1.2 Money-Broking Services

The Council may use money brokers for temporary borrowing and investment and long-term borrowing. It will seek to give an even spread of business amongst the approved brokers.

11.1.3 Consultants'/Advisers' Services

Treasury Consultancy Services

The Council will seek to take expert advice on interest rate forecasts, annual treasury management strategy, timing for borrowing and lending, debt rescheduling, use of various borrowing and investment instruments, how to select credit worthy counterparties to put on its approved lending list etc.

The performance of consultants will be reviewed annually by the Director of Resources to check whether performance has met expectations.

a) Name of supplier of service is MUFG Corporate Markets. Their address is Central Square, 29 Wellington Street, Leeds, LS1 4DL
b) Regulatory status: investment adviser authorised by the FCA
c) Cost of service in 2025/26 was £8,800.
d) Payments are due bi-annually in April and October

11.1.4 Procedures and Frequency for Tendering Services

As per the Council's contract procedure rules.

TMP 12 Corporate Governance

12.1.1 List of documents to be made available for public inspection

a. The Council is committed to the principle of openness and transparency in its treasury management function and in all of its functions.

b. It has adopted the CIPFA Code of Practice on Treasury management and implemented key recommendations on developing Treasury Management Practices, formulating a Treasury Management Policy Statement and implementing the other principles of the Code.

c. The following documents are available for public inspection: -

Treasury Management Strategy Statement

including the Annual Investment Strategy

Treasury Management Policy Statement

Minimum Revenue Provision Policy Statement

Treasury Management monitoring reports produced as part of the Council's regular financial monitoring reports to Cabinet.

Annual Statement of Accounts

Annual Revenue Budget and MTFS

Capital Strategy and 5 Year Capital Programme

Minutes of Council / Cabinet / committee meetings

Third party expenditure via quarterly corporate spend analysis published on the website to comply with the coalition government's transparency agenda.

IMP Investment Management Practices for Investments that are not part of Treasury Management activity

This Council recognises that investments taken for non-treasury management purposes require careful investment management. Such investments include loans supporting service outcomes, investments in subsidiaries, or investment property portfolios.

The Council's annual treasury management strategy, Capital Strategy, Investment Strategy and similar documents will cover all the organisation's investments, and will set out, where relevant, specific policies and arrangements for non-treasury investments.

This schedule will include a summary of existing material investments, subsidiaries, joint ventures and liabilities including financial guarantees and contingent liabilities and the Authority's risk exposure. It will be recognised that the risk appetite for these activities may differ from that for treasury management and this is contained within the Council's approved. Capital Strategy.

CIPFA recommends separate Investment Management Practices (IMPs) for non-treasury activities and acknowledges reference to TMPs 1, 2, 5, 6, and 10 for the management of **Risk, Performance, Governance, Reporting** and **Training**, respectively.

Information suggested for non-treasury investments:

1.1 Risk management

The cross-sectoral guidance recognises the categories of investments as follows:

- For treasury management purposes
- For service delivery purposes
- For commercial purposes, including non-financial assets held primarily for financial return, such as commercial properties.

Organisations are required to establish investment management practices for their non-treasury management investments, similar to their treasury management practices. The IMP recommends a schedule for each such investment portfolio, setting out the investment objectives, investment criteria, risk management arrangements, decision-making and reporting arrangements, performance measurement and management, and arrangements for training and qualifications.

The basic principle is that the TM Code covers all investments, and the organisation should ensure that it has due diligence, investment management and risk management arrangements in place and monitored actively for its service and commercial investment portfolios, as well as for its treasury management investments.