

SCRUTINY COMMITTEE

Monday, 21st September, 2020
6.30 pm





SCRUTINY COMMITTEE

REMOTE MEETING – LIVESTREAM ON YOUTUBE

**Monday, 21st September, 2020 at 6.30
pm**

This agenda gives notice of items to be considered in private as required by Regulations (4) and (5) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Members are reminded that if they have detailed questions on individual reports, they are advised to contact the report authors in advance of the meeting.

Members of the public may ask a question, make a statement, or present a petition relating to any agenda item or any matter falling within the remit of the committee.

Notice in writing of the subject matter must be given to the Head of Legal & Democracy by 5.00pm on the day before the meeting. . Forms can be obtained for this purpose from the reception desk at Burnley Town Hall, Manchester Road, Burnley or from the web at: <http://burnley.moderngov.co.uk/ecCatDisplay.aspx?sch=doc&cat=13234> . You can also register to speak via the online agenda. Requests will be dealt with in the order in which they are received.

All meetings are currently being held remotely. Members of the public wishing to address the meeting should submit their request in the usual way, and will then be invited either to join the meeting by video conference or to make a submission in writing which will be shared with the Committee.

All public meetings are being livestreamed on the Council's [Youtube Channel](#)

AGENDA

1) *Apologies*

To receive any apologies for absence.

2) *Minutes*

To approve as a correct record the minutes of the previous meeting.

7 - 14

3) *Additional Items of Business*

To determine whether there are any additional items of business which, by reason of special circumstances, the Chair decides should be considered at the meeting as a matter of urgency.

4) *Declarations of Interest*

To receive any declarations of interest from Members relating to any item on the agenda, in accordance with the provisions of the Code of Conduct and/or indicate if S106 of the Local Government Finance Act 1992 applies to them.

5) *Exclusion of the Public*

To determine during which items, if any, the public are to be excluded from the meeting.

6) *Public Question Time*

To consider questions, statements or petitions from Members of the Public.

PUBLIC ITEMS

7) *Notice of Key Decisions and Private Meetings* 15 - 22

To consider the list of future Key Decisions.

8) *Annual Treasury Management Report Review of Activity 2019/20* 23 - 32

To consider the Council's treasury management activity during 2019/20. This report was considered by the Executive at its meeting on 11th August and recommended to Full Council on 30th September.

9) *2019/20 Final Capital Outturn Report* 33 - 42

To consider the 2019/20 final capital outturn position. This report was considered by the Executive at its meeting on 11th August and recommended to Full Council on 30th September.

10) *Revenue Monitoring Report 2020/21 Quarter 1* 43 - 58

To consider the forecast outturn position of the year as at 31st March 2021 based upon actual spending and income to 30th June 2020.

Members are asked to note the financial impact of the Coronavirus pandemic at paragraph 5 of the report. In view of these exceptional times the revenue monitoring position is uncertain.

This report was considered by the Executive at its meeting on 11th August and recommended to Full Council on 30th September.

11) *Capital Monitoring Report 2020/21 Quarter 1* 59 - 70

To provide an update on capital expenditure and the resources position along with highlighting any variances. This report was considered by the Executive at its meeting on 11th August and recommended to Full Council on 30th September.

12) *Final Revenue Outturn Position 2019/20* 71 - 80

To consider the provisional position on the Council's revenue account for 2019/20.

13) *Covid 19 Community Recovery Strategy* 81 - 106

To consider the Council's COVID 19 Community Recovery Strategy.

- 14) Covid 19 Economy Recovery Strategy** 107 - 138
 To consider the Council's COVID 19 Economy Recovery Strategy.
- 15) Single Use Plastics - Executive response to Council Motion** 139 - 144
 To consider the Executive's response to the motion presented to Council by the Green Group on single use plastics.
- 16) Licensing Act 2003 Burnley Borough Council Licensing Policy** 145 - 174
 To consider the draft Licensing Act 2003 Policy following the statutory consultation period.
- 17) Scrutiny Review Groups**
 To receive an update on the work of any active Scrutiny Review Groups.
- 18) Work Programme 2020/21** 175 - 176
 To consider any amendments to the Work Programme for 2020/21.

PRIVATE ITEMS

- 19) Contact Centre Dilapidations** 177 - 182
 To consider a report on the repair and reinstatement obligations following the surrender of the Council's lease of the former Contact Centre.
 Information relating to the financial or business affairs of any particular person (including the authority holding that information)
- 20) Burnley College Loan** 183 - 194
 To consider an application from Burnley College for a loan.
 Information relating to the financial or business affairs of any particular person (including the authority holding that information)
- 21) Participants list** 195 - 196
- 22) Webex instructions** 197 - 202

MEMBERSHIP OF COMMITTEE

Councillor Andrew Tatchell (Chair)
 Councillor Marcus Johnstone (Vice-Chair)
 Councillor Howard Baker
 Councillor Tom Commis
 Councillor Dale Ferrier
 Councillor Andy Fewings
 Councillor Beatrice Foster

Councillor Shbana Khan
 Councillor Gordon Lishman
 Councillor Sehrish Lone
 Councillor Lorraine Mehanna
 Councillor Lian Pate
 Councillor Emma Payne
 Councillor Ann Royle
 Councillor Mark Townsend

Councillor Peter Gill
Councillor Tracy Kennedy

PUBLISHED

Friday, 11 September 2020

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SCRUTINY COMMITTEE

BURNLEY TOWN HALL

Wednesday, 1st July, 2020 at 6.30 pm

PRESENT

MEMBERS

Councillors A Tatchell (Chair), M Johnstone (Vice-Chair), H Baker, T Commis, D Ferrier, A Fewings, B Foster, P Gill, T Kennedy, S Khan, G Lishman, S Lone, L Mehanna, L Pate, A Royle and M Townsend

OFFICERS

Lukman Patel	– Chief Operating Officer
Rob Dobson	– Head of Policy and Engagement
Paul Gatrell	– Head of Housing & Development Control
Asad Mushtaq	– Head of Finance and Property
Howard Hamilton-Smith	– Finance Manager
Alison McEwan	– Democracy Officer
Imelda Grady	– Democracy Officer

IN ATTENDANCE

Councillor Margaret Lishman, Executive Member for Resources and Performance Management.

7. Minutes

The following three questions put by Councillor Fewings were omitted from the minutes. He asked for written responses;

1. In respect of the natural environment, meadows and hedges have been cut too early in the season against the Natural Environment and Rural Communities Act and can this be stopped?
2. In respect of road works on Lower St James Street have the works been analysed in light of COVID and have businesses been spoken to on this?
3. Some residents do not have access to social media and would be unaware of the work of the Hub, can a leaflet explaining what is available from the Council be sent out with the electoral cavass forms?

With the correction detailed above, the minutes of the meeting held on 10th June 2020 were approved as a correct record.

8. Additional Items of Business

There were two additional item of business that the Chair agreed should be taken

1. Q4 performance Report 2019/20 – the reason being to ensure scrutiny had sight of the figures in a timely manner
2. Temporary Accommodation for Homeless Households – to ensure scrutiny had sight of the Executive report before a decision was taken. The reason being to ensure the Council has services developed enough to tackle rough sleeping and have a range of services available to effectively respond to homelessness during the COVID 19 pandemic and to continue to support those households as the Country moves out of lockdown measures.

Decision

In accordance with the provisions of Section 100 (B)(4)(b) of the Local Government Act 1972 the Chair decided that the items should be considered as items 11 and 12 on the agenda for the reasons stated.

9. Notice of Key Decisions and Private Meetings

The Chair indicated that the item on temporary accommodation for homeless households would be taken as an additional item of business on the agenda.

The items on single use plastics and Contact Centre dilapidations would come to the September Scrutiny meeting if the reports were available at that time. Councillor Fewings said that due to the current COVID crisis he would understand if the report on single use plastics slipped, however Councillor Pate said that this issue did need to be scheduled in as it had been ongoing for quite some time.

Councillor Townsend expressed concern regarding the lateness of the Revenue, Capital and Treasury Outturn reports and Q1 monitoring report and asked if an emergency budget was being considered. The Executive Member for Resources and Performance Management said that the Executive was putting together options and was awaiting to see if the Government was to release further funds to local authorities before calling for an emergency budget meeting. The Head of Finance and Property said that there were many variables and any further tranches of funding from the Government would be significant on how the economy of Burnley would get through the coming months, the Council needed to be in a position to take a proportionate response at that time. He indicated that the close of the accounts had been delayed by one month due to COVID and the statutory deadline for the accounts was now the end of September.

It was agreed that Scrutiny would receive the finance reports in a timely manner and a revised timetable for scrutiny meetings would be aligned to the Executive reports.

IT WAS AGREED

That the 28 day Notice of Key Decisions and Private Meetings be noted and Officers look at a revised timetable of meetings of Scrutiny to align them with the Executive finance reports.

10. Scrutiny Review Groups

Housing Repairs Review

The Chair outlined the position of scrutiny reviews as at the end of the 2019/20 municipal year and indicated that there was a carry-over of the housing repairs review that needed to be completed. He asked that an email be sent out to scrutiny members asking for volunteers to join a small working group to complete the review.

Councillor Pate asked whether the timing of the presentation of the Leisure Trust's Annual Report would be impacted on by COVID. The Chief Operating Officer said that the Council was working with the Leisure Trust and any service realignment would be put to the Executive and that Scrutiny would have sight of this. He indicated that this might form part of an emergency budget should one be called.

IT WAS AGREED

That the housing repairs review group be reconvened and an email be sent to scrutiny members asking for volunteers to join this group.

11. COVID 19 Questions and Answers

Further to the last meeting on 10th June , members had submitted questions on the COVID presentation for Officer responses.

A questions and answers paper had been submitted and those members who had submitted questions were asked to make any further comments on the responses if required.

1. Councillor Fewings on the selective licensing powers further asked if he could be provided with a list of all powers available for dealing with empty properties including those under selective licensing powers. The Head of Housing and Development Control agreed to supply Councillor Fewings with this information.
2. Councillor Townsend on planning applications further asked for an explanation of the performance indicators figures and referred to an outstanding application in his Ward. The Chief Operating Officer explained that the Q4 performance figures for 2019/20 for planning targets had been achieved, however the figures in Q1 of this year had been effected by COVID and there was a backlog of applications to work through. He asked Councillor Townsend to let him know of the specific application he was referring to and he would look into it for him.
3. Councillor Fewings in respect of lobby Government to support industries he further asked that the Council be innovative on supporting low carbon industries. Councillor Gordon Lishman agreed and said that a Burnley based approach was needed rather than being subsumed by into the LEP.
4. Councillor Townsend in respect of the flood defences in Padiham further commented that it was disappointing that the work had slipped to late Summer 2020 despite it being an emergency in 2017. He said that a more pro-active response was required. The Chief Operating Officer said that a more detailed response would be provided, he said that it required a multi-agency approach but that the Council was trying to

influence partners as much as possible to complete the works. A more comprehensive report would be available shortly.

5. On the response to Councillor Townsend's question on infrastructure projects, Councillor Gordon Lishman said that the Council needed to be ready to take advantage of the Government's job creation and job protection initiative and in respect of retro-fitting older homes under climate change the Council should be in pole position to make bids.
6. Councillor Townsend further commented on his disappointment of Burnley's response in the Redefining Lancashire plan that had been sent to the Prime Minister which had only referred to Pioneer Place and felt a more ambitious submission could have been made. The Chief Operating Officer responded by saying that there was a short window of opportunity for bids with a strict set of criteria which precluded other projects. Councillor Fewings asked if the cinema and restaurant complex needed to be reconsidered in light of COVID as the Council had a fiduciary duty to ensure money was being used wisely.
7. Councillor Fewings further commented on the transparency and accountability of the LEP and asked who was speaking for Burnley on this board. Councillor Townsend said that the LEP had recently failed a governance review and ought to have had a scrutiny committee established 12 months ago.
8. Councillor Commis commented on Pioneer Place but said it was not an option to review the decision on it, he said it might prove difficult to secure tenants in the current climate.
9. Councillor Townsend criticised the Government's funding package which for Burnley Council equated to £10 per capita as the majority of the money was ring fenced. This left the Council with a £3.4m deficit. Councillor Margaret Lishman said that she was pushing for additional funding from the Government and felt that the Government was relying on the local Councils to provide services in the community, whilst devaluing what Councils do by not acknowledging the costs to the Councils during the COVID crisis.
10. Councillor Fewings on Burnley Golf Club further commented that golf was a niche sport and that Burnley Leisure could have opened this up for general public use during the pandemic in the interests of the health and wellbeing of residents.
11. Councillor Pate in respect of a digital strategy further commented that she still had no answer on when this would happen and that it was being confused with an IT strategy. There was a need for connectivity of choice for residents. The Performance and Engagement Manager said that the name of the document caused confusion but that it was clearly a digital strategy and he would involve Councillor Pate in the review of it. He said that the Council had to get best value from Liberata. Councillor Pate referred to the Good Things Foundation who had done Salford's digital strategy and said they should be considered when refreshing Burnley's digital strategy.
12. In respect of holiday provision for children during school holidays Councillor Pate praised Burnley Leisure for their plans to run activities which was generous given their current situation with COVID.

13. The Policy and Engagement Manager responded to Councillor Townsend's question on the % of vulnerable children identified who had been attending school. He said that a % figure of vulnerable children could not be given but the number of children attending school during week commencing 15th June had been 285 across all settings. He would send out the detailed LCC response on the definition of vulnerable children to everyone.
14. Councillor Pate asked if all the vulnerable people had now been identified. The Chief Operating Officer (COO) said that had a comprehensive list had been compiled with many partner organisations. He confirmed that a leaflet on what is on offer for residents will be sent out with the canvass forms as previously suggested by Councillor Fewings.
15. On the impact of COVID on the third sector Councillor Pate said she had wanted a more local response. She said some had changed how they worked for which there were positive and negative aspects. She said some were providing free meals to the vulnerable but asked what might happen when things return to normal. What is the impact for our local third sector and what funding issues they have experienced? The COO advised that he was working with the third sector on a weekly basis.
16. Councillor Townsend in respect of UCLAN, said that whilst it was good news that the 4k number of students was still on track for 2025 he had concerns around the dip in foreign students and how this would impact on the accommodation provision at Sandygate. He asked if the business case was being monitored to ensure the Council wasn't left with a financial burden. The COO said that the first year had been modelled on a significantly less figure, but as of last week 25 expressions of interest for accommodation had been received. The situation will continue to be monitored.
17. In respect of the cut in bus services the COO said he was still awaiting a response from LCC and would report back to members on this.
18. Councillor Foster asked if any evictions had taken place since she raised the issue at the last meeting and also whether an analysis of the data captured could show a breakdown of the hard to reach groups in terms of age, ethnicity, areas had been possible, The Head of Housing and Development Control said he was not aware of any evictions and that his team were working closely with landlords. The Head of Policy and Engagement said that there wasn't a breakdown of information to share as it was based on data from the NHS and there were strict parameters on how the data could be used.
19. Councillor Townsend asked would happen next in terms of the scrutiny of the COVID response. He said that a recovery plan was needed over the next 12 months. The COO confirmed that this was being developed and there would be an economic recovery plan and a community recovery plan which would be on the forward plan for scrutiny to monitor.

12. Scorecards: Q4 performance report 2019/20

The Policy and Performance Manager presented the Q4 performance report for 2019/20 and highlighted key areas.

The Council had recorded its lowest staff sickness absences., the economy and growth team had helped in creating 127 jobs and safeguarded 47 through business support programmes, which was ahead of target and the number of vacant properties brought back into use had exceeded the target set.

On the off target indicators he highlighted the performance of Liberata and the calls answered on time which had ended at 73% compared with 80% last year. He said this was in part due to COVID crisis.

Councillor Townsend and Councillor Fewings both congratulated the staff for the sickness absence figures.

In respect of calls answered in time Councillor Fewings said that he wanted a more qualitative analysis and whether clients` queries were being dealt with satisfactorily and not just answered in a certain time frame. The Head of Policy and Engagement said he would provide this in the next set of figures. The COO said that this might have cost implications as it wasn`t in the current contract with Liberata.

IT WAS AGREED

That the report be noted.

13. Work Programme 2020/21

The work programme was noted.

14. Temporary Accommodation for Homeless Households

The Head of Housing and Development Control presented the report that was to be considered by the Executive at its meeting on 7th June.

He highlighted the key points being proposed to prevent and relieve homelessness and rough sleeping in the borough through a comprehensive approach that would focus on providing individuals with accommodation and support to access and sustain settled housing.

Councillor Pate said that the £45k put into the budget was intended to eradicate rough sleeping by the provision of a night shelter, She appreciated that today's position was different from that of February when the budget was set but that this was additional money that had been put into the housing service and the Government should be asked to reimburse the Council for this amount. She asked that a similar amount be ringfenced for this type of accommodations in future. The Chief Operating Officer said that Council resolution was for £45k to eradicate rough sleeping and not specifically for a night shelter. Councillor Pate accepted this but said that members were clear on how that money should be spent and the type accommodation it should be used for.

Councillor Foster said she had sat on the homelessness working group where it had been agreed that what was needed was a step before Gateway and it be referred to as ` a bed for the night`, where people could go into this accommodation without any restrictions. If in

the experience of the housing unit officers felt that people wanted more support it would be offered but not be. a condition of accessing a secure place to sleep for the night.

The Executive Member Councillor Margaret Lishman said this was what was intended and to provide a wrap around service. She said that the homeless group`s work would continue to provide solutions to homelessness issues in the future.

Councillor Pate said it is about having the right accommodation within the borough to prevent people being sent out of the borough.

The Chair said he looked forward to receiving future reports on this issue.

IT WAS AGREED

That the report be put to the Executive.

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BURNLEY BOROUGH COUNCIL

NOTICE OF KEY DECISIONS AND PRIVATE MEETINGS

This Notice contains:

- a) A list of Key Decisions to be taken by the Executive (unless otherwise stated) during the months September 2020 onwards, published by 24th August 2020. Due to current circumstances, these decisions could also be taken by Officers using urgency powers.
- b) Details of dates of meetings of the Executive during the same period at which decisions may be taken in private or partly in private

A Key Decision is an Executive decision that is likely:

- (i) to result in the local authority incurring expenditure which is, or the making of savings which are significant, having regard to the local authority's budget for the service or function to which a decision relates. The Council has said that Capital or Revenue spending over £100,000 will be a Key Decision; or
- (ii) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the Borough;

A private meeting is a meeting or part of a meeting of the Executive during which the public must be excluded whenever:

- a) it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during that item, confidential information would be disclosed to them in breach of the obligation of confidence;
- b) the Executive passes a resolution to exclude the public during that item where it is likely, in view of the nature of the item of business, that if members of the public were present during that item, exempt information would be disclosed to them; or
- c) a lawful power is used to exclude a member or members of the public in order to maintain orderly conduct or prevent misbehaviour at a meeting.

Matter for decision	Purpose	Key Decision Yes or No	Anticipated date of decision	Public or Private report. If Private give reasons	List of Documents to be submitted including any background papers	Contact person & Executive Portfolio
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Draft Prevention of Homelessness and Rough Sleeping Strategy	To consider a report on the draft strategy	Yes	September 2020	Public	Reports setting out the key issues	Paul Gatrell Head of Housing & Development Control Executive Member for Housing & Leisure
Revenue outturn report for 2019/20	To consider Revenue outturn reports for 2019/20	No (Full Council decision)	September 2020	Public	Reports setting out the key issues	Asad Mushtaq Head of Finance and Property Executive Member for Resources and Performance Management
Single Use Plastics	To consider the use of Single Use Plastics	Yes- Notice of Motion referred from Full Council	September 2020	Public	Report setting out the key issues	Catherine Waudby Head of Legal and Democratic Services Executive Member for Resources and Performance Management

Matter for decision	Purpose	Key Decision Yes or No	Anticipated date of decision	Public or Private report. If Private give reasons	List of Documents to be submitted including any background papers	Contact person & Executive Portfolio
Developer Contributions Supplementary Planning Document (SPD)	To consider the adoption of the SPD following public consultation and consideration by Scrutiny Committee	Yes	September 2020	Public	Report setting out the key issues	Kate Ingram Strategic Head of Economy and Growth Executive Member for Economy & Growth
Air Quality Management: Protecting Health and Addressing Climate Change Supplementary Planning Document (SPD)	To consider the adoption of the SPD following public consultation	Yes	September 2020	Public	Report setting out the key issues	Kate Ingram Strategic Head of Economy and Growth Executive Member for Economy & Growth
Economic Recovery Strategy	To consider an economic strategy in response to COVID	Yes	September 2020	Public	Report Setting out the key issues	Kate Ingram Strategic Head of Economy and Growth Executive Member for Economy & Growth

Matter for decision	Purpose	Key Decision Yes or No	Anticipated date of decision	Public or Private report. If Private give reasons	List of Documents to be submitted including any background papers	Contact person & Executive Portfolio
Community Recovery Strategy	To consider an overarching strategy and action plan in response to COVID	Yes	September 2020	Public	Report Setting out the key issues	Rob Dobson Head of Policy and Engagement Council Leader
Burnley College	To consider a loan application from Burnley College	Yes	September 2020	The report contains exempt information and is therefore NOT FOR PUBLICATION by virtue of Local Government Act 1972, Schedule 12A, Part I, Paragraph 3; Information relating to the financial or business affairs of any particular person (including the authority holding that information)	Report Setting out the key issues	Howard Hamilton-Smith Head of Finance and Property Executive Member for Resources and Performance
Former Contact Centre Dilapidations - Parker Lane, Burnley	To approve a final settlement in respect of outstanding repairs and restatement obligations	Yes	September 2020	The report contains exempt information and is therefore NOT FOR PUBLICATION by virtue of Local Government Act 1972, Schedule 12A, Part I, Paragraph 3; Information relating to the financial or business	Report Setting out the key issues	Howard Hamilton-Smith Head of Finance and Property Executive Member for Resources and Performance

Matter for decision	Purpose	Key Decision Yes or No	Anticipated date of decision	Public or Private report. If Private give reasons	List of Documents to be submitted including any background papers	Contact person & Executive Portfolio
				affairs of any particular person (including the authority holding that information)		
Pioneer Place – The Next Steps	To consider the next steps for the Pioneer Place project	Yes	September 2020	The report contains exempt information and is therefore NOT FOR PUBLICATION by virtue of Local Government Act 1972, Schedule 12A, Part I, Paragraph 3; Information relating to the financial or business affairs of any particular person (including the authority holding that information)	Report Setting out the key issues	Kate Ingram Strategic Head of Economy and Growth Executive Member for Economy & Growth
Empty Homes Programme	To consider a report on the next properties for Compulsory Purchase action by the Council	Yes	September 2020	Public	Report Setting out the key issues	Paul Gattrell Head of Housing & Development Control Executive Member for Housing & Leisure

Matter for decision	Purpose	Key Decision Yes or No	Anticipated date of decision	Public or Private report. If Private give reasons	List of Documents to be submitted including any background papers	Contact person & Executive Portfolio
Review of Burnley's Play Provision Strategy 2017 – 2026	Review of Burnley's Play Provision Strategy 2017 – 2026	Yes	December 2020	Public	Report setting out the key issues	Simon Goff Head of Green Spaces and Amenities Executive Member for Housing and Leisure
Food Safety Delivery Plan	To consider an updated Plan for 2021	No (Full Council Decision-Policy Framework)	December 2020	Public	Report setting out the key issues	Joanne Swift Head of Streetscene Executive Member for Community and Environmental Services
Health & Safety Delivery Plan	To consider an updated plan for 2021	No (Full Council Decision-Policy Framework)	December 2020	Public	Report setting out the key issues	Joanne Swift Head of Streetscene Executive Member for Community and Environmental Services

Meetings of the Executive will be held on the following dates: 22nd September, 27th October and 8th December 2020. Meetings normally start at 6.30pm but times can change so please check the council website nearer the date of the meeting. All meetings are currently being held remotely and can be viewed on the Council's [Youtube channel](#)

Matter for decision	Purpose	Key Decision Yes or No	Anticipated date of decision	Public or Private report. If Private give reasons	List of Documents to be submitted including any background papers	Contact person & Executive Portfolio
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This Notice will be further updated by the following dates: 24th August, 28th September and 9th November 2020.

A further Notice will be given 5 clear days before each meeting listed above if the meeting or part of the meeting is to be held in private. If you wish to make any representations about why any meeting or part of a meeting proposed to be held in private should be open to the public please send them to: Catherine Waudby, Head of Legal and Democratic Services ,Town Hall, Manchester Road, Burnley BB11 9SA.

E-mail: HYPERLINK "mailto:"cwardby@burnley.gov.uk
 2020 HYPERLINK "mailto:"HYPERLINK "mailto:"

Published: By 24th August

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REPORT TO EXECUTIVE



DATE	11 August 2020
PORTFOLIO	Resources and Performance Management
REPORT AUTHOR	Howard Hamilton-Smith
TEL NO	01282 477172
EMAIL	Hhamilton-smith@burnley.gov.uk

Annual Treasury Management Report Review of 2019/20 Activity

PURPOSE

1. To inform members of the Council’s treasury management activity during 2019/20.

RECOMMENDATION

2. That the Executive recommends that Full Council note the annual treasury management activity for the year ended 31 March 2020.

REASONS FOR RECOMMENDATION

3. To comply with the regulations issued under the Local Government Act 2003 to produce an annual treasury management report review of activities and the actual prudential and treasury indicators for 2019/20. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code). Performance against the approved prudential and treasury indicators are shown in Appendix 1.

During 2019/20 the minimum reporting requirements were that Full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Full Council 20 February 2019)
- a mid-year treasury update report (Full Council 18 December 2019)
- an annual review following the end of the year describing the activity compared to the strategy (this report).

The regulatory environment places responsibility on Members for the review and scrutiny of treasury management policy and activities. This report is therefore

important, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by Members.

It has been a challenging year in terms of returns on investments and this was further impacted in March by COVID-19 and two reductions in the Bank Rate, from 0.75% to 0.10% .

This Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Scrutiny Committee before they were reported to Full Council. Member training on treasury management issues was undertaken during the year on 10 December 2019 in order to support Members' scrutiny role.

SUMMARY OF KEY POINTS

4. **The Economy and Interest Rates (Provided by Link Asset Services)**

Economic growth in 2019 has been very volatile with quarter 1 unexpectedly strong at 0.5%, to quarter 4 flat at 0.0%. The year 2020 started with optimistic business surveys pointing to an upswing in growth after the ending of political uncertainty as a result of the decisive result of the general election in December settled the Brexit issue. However, the three monthly GDP statistics in January were disappointing, being stuck at 0.0% growth. Since then, the whole world has changed as a result of the coronavirus outbreak. It now looks likely that the closedown of whole sections of the economy will result in a fall in GDP of at least 15% in quarter two. What is uncertain, however, is the extent of the damage that will be done to businesses by the end of the lock down period, when the end of the lock down will occur, whether there could be a second wave of the outbreak, how soon a vaccine will be created and then how quickly it can be administered to the population. This leaves huge uncertainties as to how quickly the economy will recover.

After the Monetary Policy Committee (MPC) raised Bank Rate from 0.5% to 0.75% in August 2018, Brexit uncertainty caused the MPC to do nothing until March 2020; at this point it was abundantly clear that the coronavirus outbreak posed a huge threat to the economy of the UK. Two emergency cuts in Bank Rate from 0.75% occurred in March, first to 0.25% and then to 0.10%. These cuts were accompanied by an increase in quantitative easing (QE), essentially the purchases of gilts (mainly) by the Bank of England of £200bn. The Government and the Bank were also very concerned to stop people losing their jobs during this lock down period. Accordingly, the Government introduced various schemes to subsidise both employed and self-employed jobs for three months while the country was locked down. It also put in place a raft of other measures to help businesses access loans from their banks, (with the Government providing guarantees to the banks against losses), to tide them over the lock down period when some firms may have little or no income. This leaves open a question as to whether some firms will be solvent, even if they take out such loans, and some may also choose to close as there is, and will be, insufficient demand for their services.

Inflation has posed little concern for the MPC during the last year, being mainly between 1.5 – 2.0%. It is also not going to be an issue for the near future as the world economy will be heading into a recession which is already causing a glut in the supply of oil which has fallen sharply in price. Other prices will also be under

downward pressure while wage inflation has also been on a downward path over the last half year and is likely to continue that trend in the current environment. While inflation could even turn negative in the Eurozone, this is currently not likely in the UK.

5. **The Strategy for 2019/20**

5.1 **Investment Strategy and control of interest rate risk**

Investment returns remained low during 2019/20. The expectation for interest rates within the treasury management strategy for 2019/20 was that Bank Rate would stay at 0.75% during 2019/20 as it was not expected that the MPC would be able to deliver on an increase in Bank Rate until the Brexit issue was finally settled. However, there was an expectation that Bank Rate would rise after that issue was settled, but would only rise to 1.0% during 2020. Rising concerns over the possibility that the UK could leave the EU at the end of October 2019 caused longer term investment rates to be on a falling trend for most of April to September. They then rose after the end of October deadline was rejected by the Commons but fell back again in January before recovering again after the 31 January departure of the UK from the EU.

When the coronavirus outbreak hit the UK in February/March, rates initially plunged but then rose sharply back up again due to a shortage of liquidity in financial markets. As longer term rates were significantly higher than shorter term rates during the year, value was therefore sought by placing longer term investments where cash balances were sufficient to allow this.

5.2 **Borrowing Strategy and control of interest rate risk**

A policy of avoiding new borrowing by running down spare cash balances has previously been adopted and has served well over the last few years. However, this has been kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure.

During 2019-20 the Council increased its borrowing to fully fund the CFR (the Capital Finance Requirement). This strategy was prudent as borrowing rates fell to historically low levels during the year.

6. **The Borrowing Requirement and Debt**

The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR). The table below shows the Council's CFR for 2019/20.

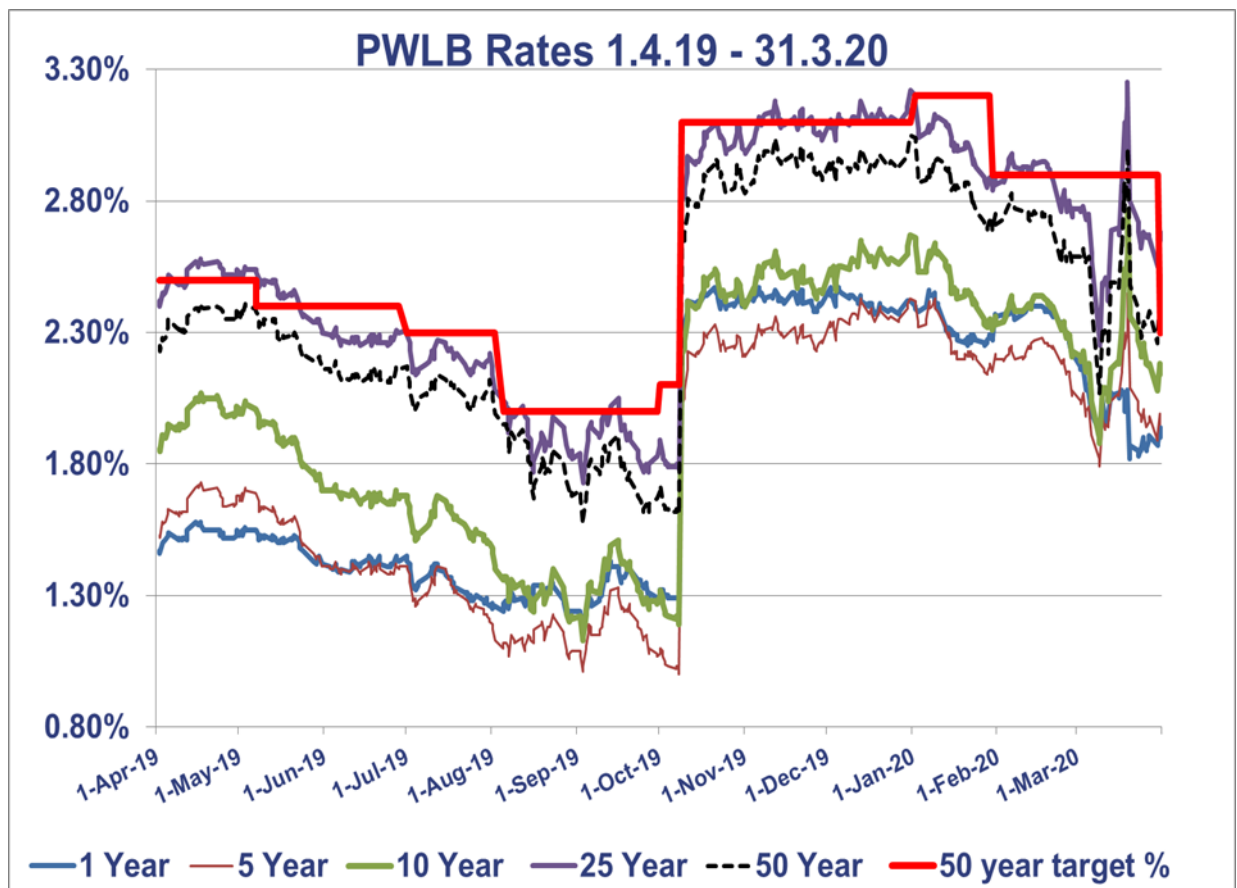
£m	31 March 2019 Actual	31 March 2020 Budget	31 March 2020 Actual
CFR General Fund	30.5	36.8	37.7

7. Borrowing Rates in 2019/20

PWLB rates are based on, and are determined by, gilt (UK Government bonds) yields through H.M.Treasury determining a specified margin to add to gilt yields. There was much speculation during the second half of 2019 that bond markets were in a bubble which was driving bond prices up and yields down to historically very low levels.

HM Treasury imposed a change in the margins over gilt yields for PWLB rates in 2019-20 without any prior warning on 9 October 2019, adding an additional 1% margin over gilts to all PWLB rates.

The graph for PWLB rates show, for a selection of maturity periods, the average borrowing rates, the high and low points in rates, spreads and individual rates at the start and the end of the financial year.



8. **Borrowing Outturn for 2019/20**

Borrowing – The following PWLB loans were taken during the year to fund the net unfinanced capital expenditure and loans that have matured and been repaid in year.

Date	Lender	Principal	Type	Interest Rate	Duration
20/5/19	PWLB	£5m	Maturity	2.28%	50 years
05/7/19	PWLB	£1m	Maturity	2.03%	48 years
05/7/19	PWLB	£2m	Maturity	2.03%	49 years
06/8/19	PWLB	£2m	Maturity	1.99%	46 years
06/8/19	PWLB	£1m	Maturity	1.99%	47 years
20/8/19	PWLB	£1m	Maturity	1.68%	45 years
13/12/19	PWLB	£1m	Maturity	2.95%	43 years
10/3/20	PWLB	£1m	Maturity	2.41%	50 years
11/3/20	PWLB	£2m	Maturity	2.07%	49 years

This compares to a budget assumption of borrowing at an interest rate between 2.8 and 3%.

Rescheduling – No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.

Repayments – The following PWLB loan was repaid during the year, as scheduled:

Date	Lender	Principal	Balance at Repayment	Type	Interest Rate	Duration
30/9/19	PWLB	£1.4m	£1.4m	Maturity	4.9%	16 years

9. **Investment Rates in 2019/20**

The Council operates a deposit account with its bank, HSBC, which pays an interest rate of 0.15% below Bank Rate. On 10 March 2020 Bank Rate was cut from 0.75% to 0.25% in response to the coronavirus outbreak. The Bank Rate was further cut to 0.10% on 19 March 2020. The interest rate on the Deposit account was therefore reduced from 0.6% to nil by the end of the year. There was an average daily total of £10.38m being invested within the HSBC “sweep” deposit account, which earned an average of 0.57% in 2019/20.

10. **Investment Outturn for 2019/20**

Investment Policy – the Council’s investment policy is governed by MHCLG investment guidance, which has been implemented in the annual investment strategy approved by Full Council on 20 February 2019. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data. This guidance is enhanced by advice from Link Asset Services.

The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

Investments held by the Council - the Council maintained a daily average balance of £19.7m of internally managed funds during 2019/20. These investments earned an average rate of return of 0.76% which exceeded the target of base rate 0.75% minus 0.2%.

There were a total of 10 market investments made during the financial year, totalling £16m. This includes two investments made with Bank of Scotland that were transferred in year from notice accounts to fixed longer term deposits, in order to secure a higher return against the risk of interest rates falling. The table below shows the amount deposited, and the rate of return against the market benchmark.

Counterparties	Date of Investment	Investment Made £m	Return	Benchmark
Bank of Scotland (95 Day Notice)	20/05/2019	1.0	1.1%	0.634%
Bank of Scotland (32 Day Notice)	09/07/2019	1.0	0.95%	0.557%
Bank of Scotland (12 month fixed)	09/07/2019	2.0	1.25%	0.798%
Bank of Scotland (12 month Fixed – transferred from notice accounts above)	16/08/2019	2.0	1.1%	0.798%
Santander (3 month Term Deposit)	09/08/2019	2.0	0.9%	0.634%
Santander (6 month Term Deposit)	09/08/2019	2.0	1.0%	0.705%
HSBC (31 Day Notice)	29/07/2019	1.0	0.9%	0.557%
HSBC (31 Day Notice)	17/09/2019	1.0	0.9%	0.557%
HSBC (31 Day Notice)	12/11/2019	2.0	0.9%	0.557%
Suffolk County Council	27/03/2020	2.0	1.1%	0.634%

All investments were for one year or under.

The table below shows the maximum amount invested with any of the counterparties at any one time during the period April 2019 to the end of March 2020 against the maximum limits approved in the 2019/20 Treasury Management Strategy.

Counterparties	Maximum Limits £m	Highest level of Investment 2019/20 (£m)
HSBC	25.0	19.8
Bank of Scotland	4.0	4.0
Suffolk County Council	2.0	2.0
Santander UK plc	4.0	4.0
Goldman Sachs	4.0	1.0

11. **Interest payable on External Borrowing / Interest Receivable on Investments**
The revised budget for the PWLB interest payable on external borrowing for 2019/20 was set at £987,328.

The outturn position was £1,073,568 due to increased borrowing activity during the year to fund the Council's CFR whilst taking advantage of historically low PWLB interest rates.

The total interest receivable on temporary investments in 2019/20 amounted to £133,823 compared with a budget for the year of £69,845, the difference of £63,978 being due to careful and pro-active management of the council's cash balances.

12. **Property Fund Investments, costs & dividends received**

The Council continues to invest £2m in property funds with CCLA and Hermes. Dividends receivable amounted to £68,169 compared to a budget of £70,000.

The aim of the Property Fund investments are to provide high levels of income and long-term capital appreciation. Significant uncertainty remains on the full impact of the Coronavirus pandemic on the property sector with early evidence suggesting that the retail and leisure sectors are those hardest hit.

It is expected that pressures will ease as the economy slowly returns to normal but it is likely to be several months before the full implications are understood. The Council will seek compensation from Central Government for any financial losses incurred on the Property Funds.

Valuations are being reported on the basis of material value uncertainty (issued without expected confidence in their accuracy) and need to be kept under frequent review. As a consequence property funds have temporarily suspended trading. This is because funds are unable to provide a firm valuation in the circumstances, and cannot therefore meet the requirement to ensure that investors are treated equally when selling or purchasing shares. This will be ongoing until clarity is restored.

Looking forward, there is expected to be a period of economic recovery next year and for this to be reflected in positive returns from the sector; the recession has been a shock to values, but it should be a passing one.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

13. None arising as a direct result of this report.

POLICY IMPLICATIONS

14. All transactions are in accordance with the Council's approved Treasury Policy Statement

DETAILS OF CONSULTATION

15. None

BACKGROUND PAPERS

16. Treasury Management Strategy Report & Prudential Indicators Report for 2019/20.

FURTHER INFORMATION PLEASE CONTACT:
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Howard Hamilton-Smith, Finance Manager

Appendix 1: Prudential and Treasury Indicators

During 2019/20, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators £m	2018/19 Actual	2019/20 Original	2019/20 Actual
Capital expenditure General Fund	6.4	18.2	14.0
Capital Financing Requirement: General Fund	30.5	36.8	37.7
Gross borrowing	23.1	36.1	37.7
Investments Under 1 year	8.8	21.2	17.9
Net borrowing	14.3	14.9	19.8

Gross borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2019/20) plus the estimates of any additional capital financing requirement for the current (2020/21) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs in 2019/20.

The authorised limit - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2019/20 the Council has maintained gross borrowing within its authorised limit.

The operational boundary – the operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

Actual financing costs as a proportion of net revenue stream - this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

£m	2019/20
Authorised limit	44.5
Maximum gross borrowing position	37.7
Operational boundary	40.4
Average gross borrowing position	32.1
Financing costs as a proportion of net revenue stream	13.1%

Overall Treasury Position as at 31 March 2020 – At the beginning and end of 2019/20 the Council's treasury position was as follows:

The maturity structure of the debt portfolio was as follows:

	31 March 2019 Principal £m	Rate/Return	Average Life yrs	31 March 2020 Principal £m	Rate/Return	Average Life yrs
Fixed rate funding:						
PWLB	23.1	3.92%	17.6	37.7	2.76%	16.8
	31 March 2019 Actual £m			31 March 2020 Actual £m		
Total debt	23.1			37.7		
Capital Financing Requirement	30.5			37.7		
Over / (under) borrowing	(7.4)			-		
Total investments	8.8			17.9		
Net debt	14.3			19.8		

The maturity structure of the debt portfolio was as follows:

	31 March 2019 Actual £m	2019/20 Original Limits £m	31 March 2020 Actual £m
Under 12 months	1.4	2.0	2.0
12 months and within 24 months	2.0	1.2	1.2
24 months and within 5 years	5.1	5.6	6.0
5 years and within 10 years	3.1	1.1	1.1
10 years and within 20 years	0.1	0.1	0.1
20 years and within 30 years	-	-	-
30 years and within 40 years	3.0	4.5	4.5
40 years and within 50 years	8.4	20.2	22.8
Totals	23.1	34.7	37.7

REPORT TO EXECUTIVE



DATE	11 August 2020
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	Martin Dixon
TEL NO	01282 477324
EMAIL	mdixon@burnley.gov.uk

2019/20 Final Capital Outturn Position

PURPOSE

1. To report to Members on the performance of the 2019/20 capital investment programme and present the financing of capital expenditure incurred during 2019/20.
2. To seek approval of a revised 2020/21 capital budget after incorporating net carry forward commitments (slippage) from 2019/20.

RECOMMENDATION

3. That the Executive Members are requested to recommend that Full Council approve:
 - a) The final position on capital spending and financing of £14.026m for 2019/20 as shown in Appendices 1 & 2, which equates to 90% of the final resources position.
 - b) The revised capital budget for 2020/21 totalling £20.874m as outlined in Appendix 3, (including net carry forward of £1.406m).

REASONS FOR RECOMMENDATION

4. To conclude the capital budget monitoring process for 2019/20 and report the final outturn position as outlined in the Council's Statement of Accounts for 2019/20.
5. To increase the 2020/21 Council capital programme for amounts carried forward from 2019/20 and other budget adjustments as shown in Appendix 3.

SUMMARY OF KEY POINTS

Capital Outturn Position

Budget Changes and Expenditure Outturn Position:

6. After incorporating all the recommendations approved throughout the financial year, the original capital budget of £18.224m (approved at Full Council on 20 February 2019) was revised to a final position of £15.347m per the cycle 3 capital monitoring report presented to the Executive on the 17 February 2020.

Appendix 1 shows the final resources and outturn position. Additional resources have been utilised in financing the outturn expenditure position totalling £0.201m split between:

- £0.031m of brought-forward funding from 2020/21 (“reverse slippage”), utilising in advance, resources originally approved within the 2020/21 capital programme at Full Council on 17 February 2020.
- £0.170m of other additional resources identified.

Resources of £0.006m were no longer required due to the schemes being completed within budget.

7. Therefore, the final position available to finance capital expenditure in 2019/20 totalled £15.543m. The final outturn level of expenditure incurred for 2019/20 totalled £14.026m which gives a net underspend of £1.517m or 90% spend against the final resources position.

Appendix 2 lists the financing elements of each scheme within the 2019/20 capital programme spend, totalling £14.026m.

8. Carry Forward Requests (slippage)
Members are asked to note that a net £1.406m (£1.437m slippage less £0.031m reverse slippage) is the total that has been recommended to be carried forward into 2020/21. The following schemes amount to the majority of the total slippage requested: Pioneer Place (£135k), Sandygate Square (£526k), Building Infrastructure Works (£310k), and Padiham Townscape Heritage Initiative (£88k). Further details can be seen in Appendix 1.

9. Revised Capital Budget for 2020/21

Members are asked to approve a revised capital budget for 2020/21 after incorporating the adjustments identified within this outturn report.

Appendix 3 details the 2020/21 capital programme financing elements along with incorporating the year end resources adjustments and brought-forward funding elements identified within this outturn report, and incorporating the carry forward requests. This results in a revised capital programme totalling £20.874m. This budget will be the starting position for the Cycle 1 budget monitoring report, also presented to Members in August 2020.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

10. As shown in the body of the report and appendices.

POLICY IMPLICATIONS

11. The final outturn position will be reflected in the Statement of Accounts which shows the spending by the Council in pursuit of declared objectives in that financial year and the reserves and balances available for future spending. In previous years the draft Statement of Accounts had to be signed off by the Head of Finance and Property by 31st May. Due to the Coronavirus pandemic this deadline has been put back to 31st August 2020. The Statement of Accounts will be reported to the Audit and Standards Committee.

DETAILS OF CONSULTATION

12. None.

BACKGROUND PAPERS

13. None.

FURTHER INFORMATION

PLEASE CONTACT:

**Martin Dixon
Finance Business Partner**

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Final Capital Outturn Position for 2019/20

APPENDIX 1

Scheme Name	Final Budget Position Approved by Executive	Additional Resources Utilised at Year End		Resources no longer required / available	Final Resources Position At Year End	Expenditure Outturn Position	Expenditure Outturn to Final Resources Position as at Year End	Slippage Requested
		Additional Financing made available at Year End	"Reverse Slippage" Budgets utilised from 2020/21					
		£	£					

GREEN SPACES AND AMENITIES

Thompson Park Restoration Project	107,796	-	-	-	107,796	64,731	60%	43,065
Brun Valley Forest Park	635	148	-	-	783	783	100%	-
Stoops Wheeled Sport	125,815	-	-	-	125,815	122,023	97%	3,792
Prairie Artificial Turf Pitch	1,014,084	-	-	-	1,014,084	967,863	95%	46,221
Play Area Improvement Scheme	137,776	-	-	-	137,776	129,055	94%	8,721
Worsthorne Recreation Ground Improvements	30,000	-	-	-	30,000	12,131	40%	17,869
Vehicle and Machinery Replacement	140,000	-	15,051	(5,767)	149,284	149,284	100%	-
Chaning Places	71,697	-	-	-	71,697	56,428	79%	15,269
	1,627,803	148	15,051	(5,767)	1,637,235	1,502,298	92%	134,937

STREETSCENE

Alleygate Programme	30,590	-	-	-	30,590	29,345	96%	1,245
River Training Walls	18,000	-	6,913	-	24,913	24,913	100%	-
CCTV Infrastructure	19,153	-	-	-	19,153	16,744	87%	2,409
Wheeled Bins Equipment	685,000	1,289	-	-	686,289	686,289	100%	-
Purchase Replacement Vehicle	46,000	-	-	-	46,000	38,600	84%	7,400
	798,743	1,289	6,913	-	806,945	795,891	99%	11,054

REGENERATION AND PLANNING POLICY

Padiham Townscape Heritage Initiative	150,000	-	9,111	-	159,111	71,110	45%	88,001
Pioneer Place	189,666	-	-	-	189,666	54,234	29%	135,432
Sandygate Square	5,703,841	-	-	-	5,703,841	5,178,215	91%	525,626
Vision Park	153,421	-	-	-	153,421	114,035	74%	39,386
Former Open Market & Former Cinema Block	810,159	-	-	-	810,159	760,051	94%	50,108
NW Burnley Growth Corridor	1,000,000	-	-	-	1,000,000	949,517	95%	50,483
Lower St James Street	57,455	-	-	-	57,455	-	0%	57,455
	8,064,542	-	9,111	-	8,073,653	7,127,162	88%	946,491

FINANCE

Rationalisation of Operational Estate	219,879	5,009	-	-	224,888	224,888	100%	-
Leisure Centre Improvements	88,010	-	-	-	88,010	67,952	77%	20,058
Building Infrastructure Works	1,500,000	-	-	-	1,500,000	1,189,936	79%	310,064
	1,807,889	5,009	-	-	1,812,898	1,482,776	82%	330,122

HOUSING AND DEVELOPMENT CONTROL

Emergency Repairs	163,788	-	-	-	163,788	99,859	61%	-
Better Care Grant	1,300,000	142,950	-	-	1,442,950	1,442,950	100%	-
Energy Efficiency	50,000	704	-	-	50,704	50,704	100%	-
Empty Homes Programme Interventions, Acquisitions and Demolitions	1,430,190	20,099	-	-	1,450,289	1,450,289	100%	-
	38,866	-	-	-	38,866	36,345	94%	-
	2,982,844	163,753	-	-	3,146,597	3,080,147	98%	-

CHIEF EXECUTIVE

Ward Opportunities Fund	65,468	-	-	-	65,468	37,516	57%	14,500
	65,468	-	-	-	65,468	37,516	57%	14,500

Final Capital Outturn Position for 2019/20	15,347,289	170,199	31,075	(5,767)	15,542,796	14,025,790	90%	1,437,104
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CAPITAL 2019/20 - FINAL SPEND POSITION

APPENDIX 2

Scheme Name	Final Spend Position £	FINANCING ELEMENTS									Total Financing £	
		Prudential Borrowing £	Revenue Contributions / Reserves £	Better Care Grant £	Heritage Lottery Fund £	Lancashire Enterprise Partnership £	Football Foundation £	Sport England £	Capital Receipts £	Vacant Property Initiative Receipts £		S106 Payments / 3rd Party Contributions £
SERVICE UNIT: GREEN SPACES AND AMENITIES												
Thompson Park Restoration Project	64,731	-	-	-	55,569	-	-	-	-	-	9,162	64,731
Brun Valley Forest Park	784	-	-	-	-	-	-	-	-	-	784	784
Stoops Wheeled Sport	122,023	-	-	-	-	-	-	46,208	-	-	75,815	122,023
Prairie Artificial Turf Pitch	967,863	587,176	-	-	-	-	380,687	-	-	-	-	967,863
Play Area Improvement Scheme	129,055	-	-	-	-	-	-	-	170	-	128,885	129,055
Worsthorne Recreation Ground Improvements	12,131	-	-	-	-	-	-	-	-	-	12,131	12,131
Vehicle and Machinery Replacement	149,284	-	149,284	-	-	-	-	-	-	-	-	149,284
Chaning Places	56,428	-	-	-	-	-	-	-	-	-	56,428	56,428
	1,502,298	587,176	149,284	-	55,569	-	380,687	46,208	170	-	283,203	1,502,298
SERVICE UNIT: STREETSCENE												
Alleygate Programme	29,345	-	-	-	-	-	-	-	29,345	-	-	29,345
River Training Walls	24,913	-	-	-	-	-	-	-	24,913	-	-	24,913
CCTV Infrastructure	16,744	9,303	7,441	-	-	-	-	-	-	-	-	16,744
Wheeled Bins Equipment	686,289	435,000	1,289	-	-	-	-	-	-	-	250,000	686,289
Purchase Replacement Vehicle	38,600	27,600	11,000	-	-	-	-	-	-	-	-	38,600
	795,891	471,903	19,730	-	-	-	-	-	54,258	-	250,000	795,891
SERVICE UNIT: REGENERATION AND PLANNING POLICY												
Padiham Townscape Heritage Initiative	71,110	-	-	-	15,016	-	-	-	56,094	-	-	71,110
Pioneer Place	54,234	-	54,234	-	-	-	-	-	-	-	-	54,234
Alleygate Square	5,178,216	5,178,216	-	-	-	-	-	-	-	-	-	5,178,216
Vision Park	114,035	-	-	-	-	37,213	-	-	76,822	-	-	114,035
Former Open Market & Former Cinema Block	760,051	760,051	-	-	-	-	-	-	-	-	-	760,051
NW Burnley Growth Corridor	949,517	-	-	-	-	949,517	-	-	-	-	-	949,517
	7,127,162	5,938,266	54,234	-	15,016	986,730	-	-	132,916	-	-	7,127,162
SERVICE UNIT: FINANCE												
Rationalisation of Operational Estate	224,888	-	-	-	-	-	-	-	224,888	-	-	224,888
Leisure Centre Improvements	67,952	67,952	-	-	-	-	-	-	-	-	-	67,952
Building Infrastructure Works	1,189,936	989,035	-	-	-	-	-	-	200,901	-	-	1,189,936
	1,482,776	1,056,987	-	-	-	-	-	-	425,790	-	-	1,482,776
SERVICE UNIT: HOUSING AND DEVELOPMENT CONTROL												
Emergency Repairs	99,859	-	-	99,859	-	-	-	-	-	-	-	99,859
Better Care Grant	1,442,950	-	-	1,442,950	-	-	-	-	-	-	-	1,442,950
Energy Efficiency	50,704	-	-	50,704	-	-	-	-	-	-	-	50,704
Empty Homes Programme	1,450,289	-	-	-	-	-	-	-	-	1,450,289	-	1,450,289
Interventions, Acquisitions and Demolitions	36,345	-	-	-	-	-	-	-	-	36,345	-	36,345
	3,080,147	-	-	1,593,513	-	-	-	-	-	1,486,635	-	3,080,147
SERVICE UNIT: CHIEF EXECUTIVE												
Ward Opportunities Fund	37,516	-	-	-	-	-	-	-	37,516	-	-	37,516
Total Revised Budget	14,025,790	8,054,332	223,248	1,593,513	70,585	986,730	380,687	46,208	650,650	1,486,634	533,203	14,025,790

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2020/21 CAPITAL BUDGET AND FINANCING ELEMENTS

APPENDIX 3

Service Unit	Scheme Name	Original Budget £	Reprofiled from 2019/20 £	Reverse Slippage £	Revised Budget £	FINANCING ELEMENTS											Total Proposed Budget £	
						Prudential Borrowing £	Revenue Cont'n / Reserves £	Better Care Grant £	Historic England Fund £	Heritage Lottery Fund £	Lancashire Enterprise Partnership £	LCC £	Football Foundation £	Sport England £	Capital Receipts £	Vacant Property Initiative Receipts £		3rd Party / Section 106 Unsecured £
Green Spaces & Amenities	Brun Valley Forest Park	40,607			40,607												40,607	40,607
Green Spaces & Amenities	Play Area Improvement Programme	111,345	8,721		120,066											45,000	75,066	120,066
Green Spaces & Amenities	Worsthorne Recreation Ground Improvements	246,311	17,869		264,180								183,311		47,000		33,869	264,180
Green Spaces & Amenities	Vehicle and Machinery Replacement	108,975		(15,051)	93,924		93,924											93,924
Green Spaces & Amenities	Thompson Park Restoration Project	41,000	43,065		84,065				84,065									84,065
Green Spaces & Amenities	Changing Places	28,200	15,269		43,469												43,469	43,469
Green Spaces & Amenities	Extension of Burnley Cemetery	25,000			25,000	25,000												25,000
Green Spaces & Amenities	Playing Pitch Improvements	88,000			88,000												88,000	88,000
Green Spaces & Amenities	Refill Fountains	20,500			20,500		20,500											20,500
Green Spaces & Amenities	Stoops Wheeled Sport	-	3,792		3,792									3,792				3,792
Green Spaces & Amenities	Prairie Artificial Turf Pitch	-	46,221		46,221								46,221					46,221
Streetscene	Alleygate Programme	25,000	1,245		26,245											26,245		26,245
Streetscene	River Training Walls	76,552		(6,913)	69,639											69,639		69,639
Streetscene	CCTV Infrastructure	-	2,409		2,409		2,409											2,409
Streetscene	Purchase Replacement Vehicle	-	7,400		7,400	7,400												7,400
Economy & Growth	Padiham Townscape Heritage Initiative	889,341	88,001	(9,111)	968,231				826,880							88,001	53,350	968,231
Economy & Growth	Pioneer Place	-	135,432		135,432		135,432											135,432
Economy & Growth	Sandygate Square	3,268,080	525,626		3,793,706	3,793,706												3,793,706
Economy & Growth	NW Burnley Growth Corridor	3,609,143	50,483		3,659,626					3,659,626								3,659,626
Economy & Growth	Burnley-Pendle Growth Programme	722,000			722,000		722,000											722,000
Economy & Growth	Town Centre & Weavers Triangle Project Work	536,730			536,730	500,000										36,730		536,730
Economy & Growth	Lower St James Street Historic Action Zone	1,520,059	57,455		1,577,514	107,455	400,000		484,047		250,000	245,000					91,012	1,577,514
Economy & Growth	Padiham Town Hall Improvements	331,379			331,379	33,178				298,201								331,379
Economy & Growth	Finsley Wharf & Canal Towpath Improvements	33,000			33,000		33,000											33,000
Economy & Growth	Vision Park	-	39,386		39,386					22,934					16,452			39,386
Economy & Growth	Former Open Market & Former Cinema Block	-	50,108		50,108	50,108												50,108
Finance & Property	Leisure Centre Improvements	75,000	20,058		95,058	95,058												95,058
Finance & Property	Building Infrastructure Works	3,052,874	310,064		3,362,938	2,582,072	81,400									699,466		3,362,938
Sports & Culture	Mechanics Lighting Equipment	55,000			55,000	55,000												55,000
Housing & Development	Emergency Repairs	120,000			120,000			120,000										120,000
Housing & Development	Better Care Grant	2,994,007			2,994,007			2,994,007										2,994,007
Housing & Development	Energy Efficiency	50,000			50,000		10,000	40,000										50,000
Housing & Development	Empty Homes Programme	1,300,000			1,300,000											1,300,000		1,300,000
Housing & Development	Interventions, Acquisitions and Demolitions	100,000			100,000											100,000		100,000
Chief Executive	Ward Opportunities Fund	-	14,500		14,500										14,500			14,500
TOTAL OF ALL SCHEMES		19,468,103	1,437,104	(31,075)	20,874,132	7,248,977	1,498,665	3,154,007	484,047	910,945	4,230,761	245,000	229,532	3,792	1,043,033	1,400,000	425,373	20,874,132

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Revenue Monitoring Report 2020/21 – Quarter 1 (to 30 June 2020)

REPORT TO EXECUTIVE



DATE	11th August 2020
PORTFOLIO	Resources and Performance Management
REPORT AUTHOR	Howard Hamilton-Smith
TEL NO	(01282) 477173
EMAIL	hhamilton-smith@burnley.gov.uk

PURPOSE

1. To report the forecast outturn position for the year as at 31 March 2021 based upon actual spending and income to 30 June 2020.
2. Members are asked to note the financial impact of the Coronavirus pandemic as can be seen in para 5. In view of these exceptional times the revenue monitoring position is uncertain.

RECOMMENDATION

3. The Executive is asked to:
 - a. Note the projected revenue budget forecast position of a net overspend of £2.7m, as summarised in table 1 and detailed in Appendix 1.
 - b. Note that Officers are continuing to work on a number of options to mitigate the potential financial impact and bring forward options for decision as appropriate.
 - c. Note that the Council, along with other District Council's and industry groups continue to lobby Central Government for additional funding.
 - d. Note that further income compensation is to be received. Where these income losses are more than 5% of a council's planned income from sales, fees and charges, the government will cover them for 75p in every pound lost. See para 11.

The Executive is also asked to seek approval from Full Council for:

- e. The latest revised net budget of **£15.693m** as shown in Table 1, and
- f. The net transfers to earmarked reserves of **£1.703m** as shown in Appendix 2.

REASONS FOR RECOMMENDATION

4. To give consideration to the level of revenue spending and income in 2020/21 as part of the effective governance of the Council and to ensure that appropriate management action is taken to ensure a balanced financial position.

SUMMARY OF KEY POINTS

5. Financial Impact of Covid -19

This report shows the forecast outturn position based on the net budget forecast within the current reporting period. In previous years, the focus of this report has been on the net budget forecast and the achievement of the savings targets. Due to the Coronavirus pandemic, this year is unprecedented with the focus instead being on the forecast reductions in income and increases in expenditure, resulting in a potential significant year end net budget deficit. At the end of the current reporting period, the forecast year end net budget deficit stands at £2.7m. This is after taking into consideration £1.271m of direct Central Government funding received to date. The budget deficit equates to 17% of the Council's overall net budget. The deficit is based upon forecast income and expenditure as at the end of Quarter 1, a time at which there are many future unknowns. The budget is being continually monitored.

Currently any shortfall in funding will have to be met from reserves, however further significant government intervention will be required as the current level of reserves is not sufficient to fund the estimated deficit. This Council, along with other District Councils and industry groups will continue to lobby Central Government for additional funding. Consideration has only been given to the short-term impact of the pandemic and there is a high probability that the impact will be longer-term spanning future financial years, with increased costs and income losses.

Officers are continuing to work on a number of options to mitigate the potential financial impact and will bring forward options for decision as appropriate. A review of some service provision may be necessary.

6. Revenue Budget Monitoring Process

All budget holders are required to review their budgets on a monthly basis. Three in-year reports on revenue budget monitoring are presented to the Executive and Scrutiny Committee during the course of the financial year. This is the first in-year report for 2020/21. In addition to these three reports there is a final report for revenue to consider the actual spending at the end of the financial year compared with the revised revenue budget. Under the scheme of delegation each budget area is delegated to a Head of Service who remains accountable for the effective discharge of financial management as an integral part of achieving strategic objectives and in turn meeting service delivery priorities.

All Heads of Service have been asked to consider their budgets and provide information and details of any actual or anticipated significant variations between spending / income and budgets.

7. Budget Changes

Since the budget was approved, the following proposed budget changes have been made and are shown in Appendix 1:

- Virements approved by Heads of Service and Management Team.
- Decisions confirming additional awards of grant and contributions up to £50k approved by Heads of Service and Management Team.
- Executive Member for Resources and Performance Management decisions confirming additional awards of grant and contribution over £50k.
- Decisions made by the Executive.
- Transfers to/from Earmarked Reserves in respect of grants/contributions and also approved carry forwards from 2019/20 (Appendix 2).

Members are asked to approve the latest revised net budget of £15.693m as shown in Table 1.

8. Revenue Budget Summary

Table 1 shows a summary by service area of the revised budget for the year along with the current forecast as at the end of Q1 and the anticipated variance.

At the end of Q1 the net budget forecast is currently £2.7m deficit. Incorporated into the budget are two savings targets: a £154k salary savings target and a £59k non salary savings target. This report would normally focus on the savings identified in year and the achievement of these targets. In the current circumstances this is not feasible. The net budget forecast of £2.7m deficit is based upon the latest estimates of income and expenditure, of which there are still many future unknowns. Consideration has only been given to the short-term impact of the pandemic and there is a high probability that the impact will be longer-term spanning future financial years, with increased costs and income losses.

9. Over recent weeks the Government has announced a series of financial interventions to help support local authorities and their residents/businesses during the current Coronavirus pandemic. Of these financial interventions this Council has received a direct funding allocation of £1.271m out of a Central Government fund of £3.305bn. Of our £1.271m allocation, £6k is a ringfenced grant towards tackling homelessness and £79k is ringfenced as part of the 'Re-opening High Streets Safely' scheme. The balance (£1.186m) was received in three tranches: £75k received in Tranche 1 which has been allocated to tackling homelessness, £882k in Tranche 2 and £229k in Tranche 3. Both Tranche 2 and Tranche 3 monies are un-ringfenced funding to assist with reductions in income received and additional cost pressures incurred by the Council. In the lead up to the allocation of Tranche 2 and Tranche 3 monies there was significant lobbying from District Councils about not only cost pressures but also pressure arising from great reductions in income. As a result, the grant was intended by Government to cover both, however as can be seen in this report, the funding received is insufficient
10. The money from Central Government is welcome, however, even with this funding the forecast overspend represents 17% of the Council's net budget for 2020/21. The Council

would not have the financial resources to cover these losses if the impact of the virus was prolonged and sustained over the current financial year, and without further significant financial support the Council would not be able to meet this level of challenge. Due to the ever-changing environment the budget position is fluid and is being continually monitored and reviewed. More detailed forecasts will be provided throughout the year as part of the budget monitoring reporting cycles.

11. Included within the £500m support package for Local Government announced by the Government on 2nd July 2020 was an announcement to support income losses. Where these income losses are more than 5% of a council's planned income from sales, fees and charges, the government will cover them for 75p in every pound lost. The announcement also stated that council and business rates tax deficits can be repaid over three years instead of one. At the time of writing this report no further details as to individual council allocations was available, however once this funding is received the deficit will reduce.
12. An additional option is to look at setting an emergency budget for the current financial year, however it is not felt appropriate at the present time as there are many uncertain variables. Also, additional Central Government funding may be received which may help to bridge the budget gap.

Table 1: Revenue Budget Forecast Position 2020/21

		Reconciliation of Approved Budget & Funding	Forecast position as at Quarter 1		
		Net Budget 2020/21 £000s	Revised Budget £000s	Forecast Q1 £000s	Variance Q1 £000s
a	Economy and Growth	922	922	1,088	167
b	Policy and Engagement	417	417	449	32
c	Management Team	354	354	354	0
d	Sport and Culture Leisure Client	734	734	1,046	312
e	Green Spaces and Amenities	1,020	1,020	1,126	106
f	Streetscene	3,054	3,054	3,617	563
g	Housing and Development Control	387	387	598	211
h	Strategic Partnership	3,959	3,959	3,959	0
i	Finance and Property	509	509	1,068	559
j	Revenues and Benefits Client	(1,341)	(1,341)	(1,035)	307
k	Legal and Democratic Services	989	989	973	(16)
l	People and Development	209	209	209	0
m	Central Budgets - Other (includes corporate costs eg utilities, apprenticeship levy)	169	169	363	194
	Central Budgets - Savings Targets (see Table 2)	(213)	(213)	0	213
	NET SERVICE BUDGET	11,168	11,168	13,814	2,647
	Pensions	761	761	761	0
	Provisions (Balance to be determined at year end)	0	0	0	0
	Impairments (Provisions for Bad Debt)	0	0	0	0
	Parish Precepts (Disbursement to Parishes)	166	166	166	0
	Treasury (Investment Income & Expenditure)	879	879	974	95
	Capital Financing	1,017	1,017	1,017	0
	Earmarked Reserves (to / (from))	953	953	953	0
	Strategic Reserves (to / (from))	750	750	750	0
	NET CORPORATE ITEMS	4,525	4,525	4,620	95
	Council Tax	(7,160)	(7,160)	(6,486)	674
	Parish Precepts (Receipts from Council Tax Payers)	(166)	(166)	(166)	0
	Business Rates: Retained Income	(4,513)	(4,513)	(3,962)	550
	Business Rates: S31 Grants (For award of business rates relief)	(1,219)	(1,219)	(1,219)	0
	Prior Year Collection Fund (Surplus)/Deficit	(301)	(301)	(301)	0
	Revenue Support Grant	(1,640)	(1,640)	(1,640)	0
	New Homes Bonus	(694)	(694)	(694)	0
	Other Government Grants	0	0	0	0
	FUNDING	(15,693)	(15,693)	(14,468)	1,224
	BUDGET BALANCE	0	0	3,966	3,966
	Share of £3.2m Homelessness Funding (ringfenced grant)	0	0	(6)	(6)
	Tranche 1 - Share of £1.6bn allocated from £5bn Coronavirus Fund – Burnley allocation for homelessness	0	0	(75)	(75)
	Tranche 2 - Share of additional £1.6bn funding announced on 18 th April 2020 – non-ringfenced grant	0	0	(882)	(882)
	Share of £50m Re-opening High Streets Safely Fund (ringfenced grant)	0	0	(79)	(79)
	Tranche 3 - Share of additional £500m funding announced on 2nd July 2020- non ring fenced grant	0		(229)	(229)
		0	0	2,695	2,695

13. SAVINGS TARGETS

As previously mentioned, in setting the budget it was assumed that two savings targets would be achieved: £154k salary savings from not filling posts immediately and £59k in year savings/additional income target. In light of the financial pressures incurred as a result of the Coronavirus pandemic the operational underspend target will not be achieved. The salary savings target may be achieved due to staff turnover and vacant posts. At present the forecast budget overspend is £2.7m. This is after Central Government funding has been taken into consideration. A summary of the in-year targets and the projected budget forecasts categorised by salary and non-salary expenditure as at the end of Q1 can be seen in Table 2 below:

Table 2: Summary of Corporate Savings

Savings	Revised Budget	Savings Forecast Q1	Savings Forecast Q2	Savings Forecast Q3	Balance of Savings yet to be Identified
	£000	£000			£000
Salary Savings	(154)	19	0	0	(134)
Non-Salary Savings	(59)	(3,773)	0	0	(3,832)
TOTAL	(213)	(3,754)	0	0	(3,966)
Less Central Government Funding Received					1,271
TOTAL SAVINGS YET TO BE IDENTIFIED					(2,695)

Salary Savings Target

The position at the end of Q1 is that £19k of salary savings have been secured to date as can be seen in Table 2 above, leaving a shortfall of £134k to identify throughout the remainder of the year.

Non-Salary Savings Target

The latest position is that the estimated reduction in income and increased expenditure has increased the balance of non-salary savings yet to be identified to £3.8m.

The combined balance of savings (salary and non-salary) yet to be identified totals £3.9m which is reduced to a net budget deficit of £2.7m once Central Government funding received to date has been taken into consideration. The above estimates are based on forecasts at the end of Quarter 1, when there are still many future uncertainties. As such the budget is fluid in nature and may change (positively or negatively) as the year progresses. The Council does not have sufficient reserves to bridge the current forecast budget deficit. As mentioned in paragraph 11 additional Government funding has been announced however our allocation is not yet known.

14. SERVICE REPORTS

14.1 Departmental budgets and current forecast for each service area can be found in Appendix 1. Summarised below by service area are narratives explaining movements in the projected forecast along with any issues or concerns to be highlighted.

a. Economy and Growth

Forecast Variance: £167k net overspend

Reduction in stall income at the Market Hall £37k due to 50% rent and service charge reduction for the period June – September 2020 (inclusive) along with additional agency staff costs £5k to provide cover for an Officer to provide cover. Offset in part by a reduction in salary costs (£2k) for the Assistant Market Manager post due to the previous postholder now working on Burnley BID. The vacancy has been filled. Increased provision for the non-payment of market stall rental income £20k due to the cancellation of several direct debit payments.

Reduction in forecast income at Vision Park £74k. This is a culmination of reduced rental and service charge income due to vacant units and also a rent-free period offered to current tenants who would not attract a Small Business grant under the Government's Business Grant Award Scheme. In addition, forecast increase in business rates payable on the vacant units £18k.

Reduced income from Business Support rechargeable work £15k due to rechargeable work no longer being carried out.

b. Policy and Engagement

Forecast Variance: £32k net overspend

Forecast reduction in income from external works carried out by the Graphics Team £32k due to reduced demand in the current climate.

c. Management Team

Forecast Variance: £0

There are no variances or issues of concern to report in this quarter.

d. Sport and Culture Leisure Client

Forecast Variance: £312k net overspend

Burnley Leisure are facing a potential in year cashflow shortfall of £312k which may require a financial contribution from the Council. However, to be clear, a financial contribution from the Council would only be made if Burnley Leisure were unable to enact an effective action plan to manage the financial impact of the Coronavirus pandemic and any support would require approval from Members. Membership fees are a major source of income for Burnley Leisure however this income could not be collected during the period that their various facilities had to close. The period of closure for each facility was dependent upon the service offered. Like many other leisure trusts across the country they are facing potentially significant financial challenges due the pandemic. The estimated in-year shortfall for Burnley Leisure is a high-level forecast incorporating the opening of leisure centres in accordance with government guidelines and the ability to earn membership income. It also includes the furlough bonus announced by the Government for all permanent members of staff. Burnley Leisure is preparing a recovery plan to identify proposals to mitigate this potential loss of income and continue operations.

e. **Green Spaces and Amenities**

Forecast Variance: £106k net overspend

Additional burial and crematorium income (£104k) at the end of Q1 in comparison to the same time the previous financial year due to excess deaths as a result of the coronavirus pandemic. However, excess death rates are reducing. It is uncertain whether the number of excess deaths will continue to fall as the year progresses or whether the trend will reverse if there is a second wave of the pandemic. As a consequence, the additional income received may level out as the year progresses.

Reduced cemetery/crematorium income £7k from the hire of the chapel and purchase of memorial wall plaques.

Reduction in catering rights/service charge income £60k at various establishments in Queens Park, Towneley Park & Old Stable Café as these facilities were required to close due to the Coronavirus pandemic. Car parking income at Towneley Park and Thompson Park lower than forecast £55k as the car parks were closed during April and May.

A fall in football pitch bookings has resulted in a forecast reduction in income of £7k. No income is forecast to be received from the hire of Townley Park by the fairground of £8k as at present it is not anticipated that the fairground will be able to attend. Likewise, it is expected that the annual firework event will not take place resulting in a loss of income of £18k. In addition, no events are anticipated to be held at Thompson Park Pavillion resulting in a forecast reduction of income £5k.

Forecast reduction in expenditure at Towneley Hall (£38k) across several areas, for example, purchase of goods for resale, uniforms, catering supplies, marketing and publicity and exhibitions costs due to the current closure. Offset by a forecast reduction in income £104k relating to admissions, events, tours, sale of goods and donations.

Salary savings (£16k) in relation to a Community Engagement Ranger post. The position is not going to be replaced.

f. **Streetscene**

Forecast Variance: £563k net overspend

Reduction in car parking daily fee income forecast for the year of £291k due to no income being generated April – June and reductions throughout the rest of the year, as well as a reduction in contract parking income £68k. Car park enforcement action was also suspended April – June resulting in a forecast reduction in income from fines £26k.

The environmental enforcement contract is currently suspended leading to a forecast reduction in net income of £52k.

The provision of a limited pest control services has led to a reduction in pest control service costs (£4k). This has been offset by a reduction in domestic and commercial pest control income £31k.

The current suspension of the courts has resulted in a forecast reduction in court cost income and court compensation income £5k in respect of back yard clearances.

Forecast reduction in licensing income across several areas: street trader licences £9k and kennelling licences £2k due to a reduced take up of licences; taxi licences £40k as no new applications are being received and those expiring before 1st August are being renewed automatically for 4 months; other general licences £26k as auto renewal fees have been suspended resulting in 3 months loss of income.

Increased costs in relation to public funerals £17k due to an increase in demand due to the Coronavirus pandemic.

g. **Housing and Development Control**

Forecast Variance: £211k net overspend

Reduced renovation grant fee income £103k as no renovation grants have been carried out in the period April to June. This is because those in receipt of the grants are often those who are most vulnerable in society. In addition, the number of referrals from Occupational Therapists are falling.

Forecast shortfall in planning fee income £108k based on income received to date and comparisons to previous years.

h. **Strategic Partnership**

Forecast Variance: £0

There are no variances or issues of concern to report in this quarter.

i. **Finance and Property**

Forecast Variance: £559k net overspend

Various costs £25k relating to the purchase of software, over-time incurred maintaining reception cover at the Town Hall and also a reduction in room hire income at the Town Hall.

Reduction in bus station departure income £34k due to the number of departures being less frequent during the period of lockdown. Forecast reduction in commercial rental income £500k due to the impact that the pandemic has had and is forecast to have on commercial businesses within the borough.

j. **Revenues and Benefits Client**

Forecast Variance: £307k net overspend

Reduced courts cost income £300k relating to non-payment as recovery is currently suspended as the courts are not sitting. This equates to 49% of the annual budgeted income.

Grant received regarding the administration of council tax support lower than initially estimated £7k.

k. **Legal and Democratic Services**

Forecast Variance: (£16k) net underspend

A re-tender of the Council's insurance services has resulted in a forecast net underspend (£75k). Offset in part by a forecast reduction in local land charges income £25k due to a slowing property market during the pandemic and £30k Agency Staff costs to provide staffing cover during a period of illness. In addition, various small forecast increases in expenditure £4k in relation to democracy software costs, printing & stationery costs due to an increased need to print meeting agendas as meetings are held remotely.

l. People and Development

Forecast Variance: £0k

There are no variances or issues of concern to report in this quarter.

m. Central Budgets

Forecast Variance: £194k net overspend

Various costs in relation to the current pandemic, for example, food parcels, guidance literature, grants to community projects, costs relating to Burnley Hub, staffing costs in relation to the Business Grants Scheme, costs relating to the administration of the Council Tax Hardship Fund, PPE, IT costs, additional materials required to deal with the increase in burials due to the pandemic and homelessness costs.

n. Corporate Items

Forecast Variance: £95k net overspend

A cut in the Bank of England base rate has led to a forecast reduction in temporary investment income £80k. In addition, the Property Funds are estimating a 25% reduction in dividends payable £15k.

o. Funding

Forecast Variance: £1,224k net overspend

In year collection rates of 97.5% for business rates and 94.5% for council tax have been revised down to 92.5% and 90% respectively, which has led to a forecast reduction in income from council tax £674k and business rates £550k. The Government announcement to award Retail, Hospitality & Leisure Discounts and Nursery Reliefs to qualifying businesses has reduced the amount of business rates to be collected (and in turn reduced the impact of non-collection), as these reliefs are fully funded by Central Government. There is still uncertainty around the future collection of council tax and business rates especially around the impact of the furlough scheme coming to an end or if there is a second wave of the pandemic. The collection of council tax and business rates will continue to be monitored on a monthly basis to ascertain the drop-off of direct debits and cash payments to forecast-forward the level of loss.

15. EARMARKED RESERVES

The council holds a number of earmarked reserves, details of which can be seen in Appendix 2 which shows the opening balance at the start of the year and any in quarter movements.

A summary of the reserves can be seen in Table 3 below. Please note that the opening balances of the reserves are subject to change following the close-down of the 2019/20 Statement of Accounts:

Table 3: Summary of Reserves

	Transformation Reserve	Growth Reserve	Other Earmarked Reserves	TOTAL
	£000	£000	£000	£000
Balance as at 01/04/20*	(1,900)	(2,074)	(5,346)	(9,320)
Movement in Q1	(750)	-	(953)	(1,703)
Balance as at 30/06/20	(2,650)	(2,074)	(6,299)	(11,023)

* Please note that the opening balances of the reserves are subject to change following the close-down of the 2019/20 Statement of Accounts

When the 2020/21 budget was prepared it was not proposed to use reserves to support revenue expenditure, however due to the current situation there will now be a need to use reserves. Currently any shortfall in funding will have to be met from reserves, however further significant government intervention will be required as the current level of reserves is not sufficient to fund the estimated deficit.

Any savings proposals for 2020/21 that are subsequently adopted and include proposed reductions in posts, will require the cost of any redundancies to be met in the current financial year.

16. CAPITAL FINANCING

16.1 Included in the revenue budget is a revenue contribution to capital outlay (RCCO) of £1.508m. This is where revenue funds are used to finance capital schemes. The contribution of £1.508m relates to vehicle and machinery replacement (£104k), refill fountains (£21k), CCTV infrastructure (£2k), Pioneer Place (£135k), Burnley-Pendle Growth Programme (£722k), Lower St James St Historic Action Zone (£400k), Finsley Wharf & Canal Towpath improvements (£33k), building infrastructure works (£81k) and energy efficiency (£10k).

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

17. As shown in the body of the report.

POLICY IMPLICATIONS

18. The revenue budget determines the extent to which the Council's strategic objectives can be pursued and achieved.

DETAILS OF CONSULTATION

19. None

BACKGROUND PAPERS

20. None

FURTHER INFORMATION

Howard Hamilton-Smith – Finance Manager

PLEASE CONTACT:

ALSO

Amy Johnson – Principal Accountant

Revenue Budget Forecast Position 2020/21 by Service Area

Appendix 1

Economy and Growth	RAPP Holding Accounts	RAPP Holding Accounts
Economy and Growth	Markets	Burnley Markets
Economy and Growth	Markets	Markets Shared Areas
Economy and Growth	Planning Policy	Local Plan
Economy and Growth	Planning Policy	Planning Policy
Economy and Growth	Economic Development	Town Centre Management
Economy and Growth	Economic Development	Business Support
Economy and Growth	Economic Development	Burnley Branding
Economy and Growth	Economic Development	Burnley Bondholders
Economy and Growth	Regeneration Development	Regeneration
Economy and Growth	Regeneration Development	Weavers Triangle
Economy and Growth	Regeneration Development	Padiham THI
sub-total		
Policy and Engagement	Corp Engage & Policy Hold Acc	Corp Engage Holding Accounts
Policy and Engagement	Emergency Planning	Emergency Planning
Policy and Engagement	Communications	Communications
Policy and Engagement	Community Engagement	Community Engagement
Policy and Engagement	Performance And Policy	Performance and Policy
sub-total		
Management Team	Management Team	Management Team
sub-total		
Sport and Culture Leisure Client	Burnley Mechanics And Arts Devt	Burnley Mechanics And Arts Devt
Sport and Culture Leisure Client	Leisure Centres	St Peters Centre
Sport and Culture Leisure Client	Leisure Centres	Leisure Trust Client
Sport and Culture Leisure Client	Leisure Centres	Padiham Leisure Centre
Sport and Culture Leisure Client	Leisure Centres	Prairie Sports Village
sub-total		
Green Spaces and Amenities	Bereavement Service	Cemeteries and Crematorium
Green Spaces and Amenities	Parks And Green Spaces	Community Parks and Open Space
Green Spaces and Amenities	Parks And Green Spaces	Recreation and Sport
Green Spaces and Amenities	Parks And Green Spaces	Allotments
Green Spaces and Amenities	Parks And Green Spaces	Parks Externally Funded Scheme
Green Spaces and Amenities	Art Gallery And Museums	Towneley Hall
Green Spaces and Amenities	Art Gallery And Museums	Towneley Hall Ext Fund Schemes
Green Spaces and Amenities	Transport	Grounds Maintenance
sub-total		
Streetscene	Streetscene Holding Accounts	Streetscene Holding Accounts
Streetscene	Engineering Services	Bus Shelters
Streetscene	Engineering Services	Highways
Streetscene	Engineering Services	Street Lighting
Streetscene	Engineering Services	Drainage
Streetscene	Community Safety	Community Safety
Streetscene	Car Parking	Car Parking
Streetscene	Car Parking	Car Parking Enforcement
Streetscene	CCTV	CCTV
Streetscene	Environmental Services	Waste Cleaning Contract
Streetscene	Environmental Services	Street Cleansing
Streetscene	Environmental Services	Waste Collection
Streetscene	Environmental Services	Pest Control
Streetscene	Environmental Services	Dog Warden
Streetscene	Environmental Services	Default Works
Streetscene	Regulation	Environmental Health Client
Streetscene	Regulation	Taxi Licensing
Streetscene	Regulation	Other Licensing
Streetscene	Regulation	Public Funerals
sub-total		
Housing and Development Control	Housing And Development Ctrl	Housing
Housing and Development Control	Development Control	Development Control
Housing and Development Control	Building Control	Building Control
Housing and Development Control	Selective Licensing	Selective Licensing
sub-total		
Strategic Partnership	Strategic Partnership	Strategic Partnership

Quarter 1			
ORIGINAL BUDGET 2020/21 £000s	REVISED BUDGET 2020/21 £000s	Current Forecast £000s	Current Variance £000s
151	151	151	0
102	111	171	60
(29)	(29)	(29)	0
14	14	14	0
210	210	210	0
51	66	66	0
156	156	171	15
108	108	108	0
26	26	26	0
97	97	189	92
7	7	7	0
4	4	4	0
898	922	1,088	167
46	46	46	0
2	2	2	0
69	69	101	32
217	217	217	0
84	84	84	0
417	417	449	32
354	354	354	0
354	354	354	0
51	51	51	0
218	218	218	0
351	351	663	312
69	69	69	0
44	44	44	0
734	734	1,046	312
(888)	(888)	(985)	(97)
1,379	1,379	1,484	106
231	231	242	11
(18)	(18)	(18)	0
(1)	(1)	0	1
243	243	328	85
0	0	0	0
74	74	74	0
1,020	1,020	1,126	106
795	795	796	1
18	18	18	0
13	14	14	0
81	81	81	0
4	4	4	0
246	246	246	0
(562)	(562)	(203)	359
12	12	38	26
149	149	149	0
5	105	105	0
1,318	1,223	1,275	52
1,155	1,164	1,164	0
21	21	48	27
54	54	54	0
(24)	(24)	(19)	5
(35)	(35)	(24)	11
(124)	(124)	(84)	40
(97)	(97)	(71)	26
10	10	27	17
3,038	3,054	3,617	563
385	425	528	103
(62)	(62)	46	108
75	75	75	0
(51)	(51)	(51)	0
347	387	598	211
3,984	3,959	3,959	0

			sub-total
Finance and Property	Finance Unit	Finance Unit	
Finance and Property	External Audit	External Audit	
Finance and Property	Internal Audit	Internal Audit	
Finance and Property	Misc Income And Expenditure	Misc Income And Expenditure	
Finance and Property	Property	Property	
			sub-total
Revenues and Benefits Client	Revenues And Benefits Client	Revenues And Benefits Client	
Revenues and Benefits Client	Housing Benefits Payments And Subs	Housing Benefits Payments And Subs	
Revenues and Benefits Client	Council Tax Support	Council Tax Support	
Revenues and Benefits Client	Cost Of Collection Accounts	Cost Of Collection Accounts	
			sub-total
Legal and Democratic Services	Legal	Legal Services	
Legal and Democratic Services	Legal	Local Land Charges	
Legal and Democratic Services	Legal	FOI Requests	
Legal and Democratic Services	Governance	Conducting Elections	
Legal and Democratic Services	Governance	Register of Electors	
Legal and Democratic Services	Governance	Charities Administration	
Legal and Democratic Services	Governance	Parish Councils	
Legal and Democratic Services	Governance	Democratic Services	
Legal and Democratic Services	Governance	Civic Administration	
Legal and Democratic Services	Governance	Mayoralty	
Legal and Democratic Services	Governance	Members Expenses	
			sub-total
People and Development	People And Development	People and Development	
			sub-total
Central Budgets - Other	Central Budgets - Other	Central Budgets - Other	
Central Budgets - Savings Targets	Central Budgets - Savings Targets	Salary Savings Target	
Central Budgets - Savings Targets	Central Budgets - Savings Targets	Non-Salary Savings Target	
			sub-total
NET SERVICE BUDGET			
Corporate Items	Pensions		
Corporate Items	Provisions		
Corporate Items	Impairments		
Corporate Items	Parish Precepts		
Corporate Items	Treasury Investments & Borrowing		
Corporate Items	Capital Financing		
Corporate Items	Earmarked Reserves		
Corporate Items	Strategic Reserves		
NET CORPORATE ITEMS			
Funding	Council Tax		
Funding	Council Tax - Parish Precepts		
Funding	Business Rates: Retained Income		
Funding	Business Rates: S31 Grants		
Funding	Revenue Support Grant		
Funding	Prior Year Collection Fund (Surplus)/Deficit		
Funding	New Homes Bonus		
Funding	Other Government Grants		
FUNDING			
BUDGET BALANCE			
Government Funding	Share of £3.2m Homelessness Funding (ringfenced grant)		
Government Funding	Tranche 1 - Share of £1.6bn allocated from £5bn Coronavirus Fund – Burnley allocation for homelessness		
Government Funding	Tranche 2 - Share of additional £1.6bn funding announced on 18 th April 2020 – non-ringfenced grant		
Government Funding	Share of £50m Re-opening High Streets Safely Fund (ringfenced grant)		
Government Funding	Tranche 3 - Share of additional £500m funding announced on 2nd July 2020 - non ring fenced grant		
REVISED BUDGET BALANCE			

3,984	3,959	3,959	0
606	606	620	14
53	53	53	0
138	138	138	0
33	33	33	0
(322)	(321)	225	545
508	509	1,068	559
(391)	(391)	(391)	0
(74)	(74)	(74)	0
(163)	(163)	(156)	7
(714)	(714)	(414)	300
(1,341)	(1,341)	(1,035)	307
320	320	245	(75)
(45)	(45)	(20)	25
1	1	1	0
77	77	77	0
73	73	73	0
0	0	0	0
6	6	6	0
274	274	308	34
17	17	17	0
32	32	32	0
233	233	233	0
989	989	973	(16)
209	209	209	0
209	209	209	0
165	169	363	194
(154)	(154)	0	154
(59)	(59)	0	59
(48)	(44)	363	407
11,108	11,168	13,814	2,647
761	761	761	0
0	0	0	0
10	0	0	0
166	166	166	0
879	879	974	95
1,017	1,017	1,017	0
1,002	953	953	0
750	750	750	0
4,585	4,525	4,620	95
(7,160)	(7,160)	(6,486)	674
(166)	(166)	(166)	0
(4,513)	(4,513)	(3,962)	550
(1,219)	(1,219)	(1,219)	0
(1,640)	(1,640)	(1,640)	0
(301)	(301)	(301)	0
(694)	(694)	(694)	0
0	0	0	0
(15,693)	(15,693)	(14,468)	1,224
0	0	3,966	3,966
0	0	(6)	(6)
0	0	(75)	(75)
0	0	(882)	(882)
0	0	(79)	(79)
0	0	(229)	(229)
0	0	2,695	2,695

Appendix 2

Quarter 1 Movements in Reserves

	Transformation Reserve	Growth Reserve	TOTAL Strategic Reserves	Other Earmarked Reserves
	£000	£000	£000	£000
Opening Balance	(1,900)	(2,074)	(3,974)	(5,346)
Original Budget 2020/21 - use of reserves	(750)	0	(750)	(1,003)
TOTAL	(2,650)	(2,074)	(4,724)	(6,348)
Change in cycle 1	0	0	0	50
Anticipated balance at 31 March 2021	(2,650)	(2,074)	(4,724)	(6,299)
Approved use of reserves future years	1,911	2,040	3,951	(2,930)
Movement between reserves	0	0	0	0
Balance after approvals	(739)	(34)	(773)	(9,229)

Please note that the opening balances of the reserves are subject to change following the close-down of the 2019/20 Statement of Accounts

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Capital Monitoring Report 2020/21 – Quarter 1 (to 30 June 2020)

REPORT TO EXECUTIVE



DATE	11 August 2020
PORTFOLIO	Resources and Performance Management
REPORT AUTHOR	Howard Hamilton Smith
TEL NO	(01282) 477173
EMAIL	<u>hhamilton-smith@burnley.gov.uk</u>

PURPOSE

1. To provide Members with an update on capital expenditure and the resources position along with highlighting any variances.

RECOMMENDATION

2. The Executive is asked to:
 - a. Recommend to Full Council, approval of net budget changes totalling a decrease of £1,758,987 giving a revised capital budget for 2020/21 totalling £19,115,145 as detailed in Appendix 1.
 - b. Recommend to Full Council, approval of the proposed financing of the revised capital budget totalling £19,115,145 as shown in Appendix 2.
 - c. Note the latest estimated year end position on capital receipts and contributions showing an assumed balance of £946,774 at 31 March 2021 as shown in Appendix 3.

REASONS FOR RECOMMENDATION

3. To effectively manage the 2020/21 capital programme.

SUMMARY OF KEY POINTS

4. Monitoring Information

On 26 February 2020 Full Council approved the 2020/21 original capital budget, totalling £19,468,103.

The Outturn report, also being presented to Executive on 11 August 2020 seeks approval for slippage of £1,437,104, and reverse slippage of £31,075, revising the capital budget to £20,874,132.

This is the first of three in-year monitoring reports, and as such the appendices accompanying this report provide Members with the position as at 30 June 2020 on expenditure, along with providing Members with an update on the progress of the individual schemes delivery.

5. Executive Summary

- a. **Expenditure monitoring – Appendix 1** provides a detailed breakdown of the revised capital budget, scheme by scheme, presented under each of the relevant service unit areas responsible for delivering the capital projects. It shows the recommended revised budget position and expenditure as at the end of June 2020. The expenditure to date is £2,708,431 which is 14% of the proposed revised budget.
- b. **Revised budget and financing elements – Appendix 2** shows the revised budget of £19,115,145, along with identifying the recommended financing elements on a scheme by scheme basis. This is a reduction of £1,758,987.
- c. **Council resources position – Appendix 3** shows the latest position on capital receipts, section 106 monies and third party contributions. As at the end of this round of budget monitoring the assumed level of surplus available local resources, after taking into account the 2020/21 capital commitments, totals £946,774.

The resources are reducing each financial year, to an estimated balance on general capital receipts of £306k by March 2021. This is due to reduced opportunities to realise capital receipts, as the estate reduces, which will require prioritisation of future capital schemes in line with available resources.

Please note, the general receipts position requires a number of properties to be sold before 31st March 2021 (or the estimated balance will reduce).

We will monitor these sales throughout the year, and update through the cyclical monitoring reports. Should these receipts not be received, we will need to source alternative financing.

d. Building Infrastructure Works

Burnley Town Hall

All of the works to the roofs including the Clock Tower, enhanced lightning and edge protection have now been completed. This should secure the Town Hall against damage due to water penetration for many years to come.

Work is also well underway on renovating the water damaged plaster and decorations above the main staircase in the Town Hall and repairing the oak frames to the stained-glass windows on the rear elevation. Most of this work should be finished by the date of this report.

Earlier this year UK Restoration provided a report and cost estimate on the repairs to the stonework to the Town Hall which was shared with members in February 2020. As agreed an independent third-party specialist was then commissioned to review the scale and pricing of the works. Due to the impact of lock down the report was delayed but has now reported and is being evaluated in detail and will inform further actions in line with the directions agreed in February this year.

Towneley Hall

Consultant conservation architects have been appointed to advise in respect of the Hall and all of the physical inspections for the quinquennial survey have been completed with the necessary professional work for the final report ongoing.

A full measured survey of the site and photographic survey have been completed and these will be used in connection with future planning and prioritisation of works. Once the quinquennial report has been finalised this should give us the necessary detail to put a plan in place to ensure that any urgent issues are addressed and to ensure that the long term future of the Hall is secured.

6. Revenue Implications

a. Revenue Contributions / Reserves 2020/21

The Capital Programme includes Revenue Contributions / Reserves of £1,508,415 being:

Scheme	Funded	£
Vehicle & Machinery Replacement	Transport Reserve	103,674
Refill Fountains	Revenue	20,500
CCTV Infrastructure	Revenue	2,409
Pioneer Place	Growth Reserve	135,432
Burnley-Pendle Growth Programme	Growth Reserve	722,000
Lower St James Street Historic Action Zone	Growth Reserve	400,000
Finsley Wharf & Canal Towpath Improvements	Business Support Reserve	33,000
Building Infrastructure Works	Growth Reserve	81,400
Energy Efficiency	Revenue	10,000
Total Revenue Contributions		1,508,415

Pioneer Place costs are to fund pre contract costs.

b. Prudential Borrowing 2020/21

The MRP cost is the charge to revenue for the repayment of the principal amount borrowed based on the estimated life of the asset and is not incurred until the year after the schemes are completed.

The interest cost will be dependent on the timing of the borrowing and is subject to the interest rate at the time the borrowing is undertaken. The full year costs will be included within the revenue budget for 2020/21.

The original capital budget for 2020/21 of £19,468,103 included a planned borrowing requirement of £6,638,330.

The Outturn report dated 11 August 2020 seeks approval for slippage on borrowing of £610,647, revising the planned borrowing requirement to £7,248,977

A reduction of £155k borrowing has been highlighted in this Quarter 1 report:

- Reduction of £400k on the Town Centre & Weavers Triangle Project Work – Reprofiled into 2021/22
- Additional £30k on the Former Open Market & Former Cinema Block.
- Additional £100k reprofiled from 2021/22 for the Crematorium Roof

- Additional £115k on Building Infrastructure Works

This revises the borrowing, from £7,248,977, to £7,093,977.

The revenue implications of borrowing £7,093,977 are a Minimum Revenue Provision (MRP) of £51k and an interest charge, assuming 3% on the borrowing, would equate to £212k for a full year.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

7. A decrease in the 2020/21 capital programme of £1,758,987 to give a revised budget of £19,115,145 and a decrease in the borrowing requirement of £155,000, from £7,248,977 to £7,093,977.

POLICY IMPLICATIONS

8. None arising directly from this report.

DETAILS OF CONSULTATION

9. None.

BACKGROUND PAPERS

10. None.

FURTHER INFORMATION

PLEASE CONTACT:

Howard Hamilton Smith – Finance Manager

ALSO

Martin Dixon – Finance Business Partner

2020/21 CAPITAL BUDGET CYCLE 1 MONITORING - UPDATE

APPENDIX 1

Scheme Name	Budget per Outturn Report £	Adjustments Per This Report		Changes to be approved in this report A + B £	Revised Budget £	Total Spend as at 30/06/20 £	% Schemes Spend £	Financed by External Funding £	Narrative provided by Project Officers/Heads of Service
		Budget	Reprofiled into						
		Adjustments A	Future Years B						

GREEN SPACES & AMENITIES

Brun Valley Forest Park	40,607	5,000		5,000	45,607	-	0%	45,607	Works to footpaths in progress. Budget requested to be increased by £5,000 using a S106 contribution. Other work includes meadow creation at Bank Hall to meet S106 obligations and additional signage and provision of bins. All works to be completed by 31st March 2021.
Play Area Improvement Programme	120,066			-	120,066	6,637	6%	75,066	Work on Play Area Improvement currently awaiting review of Play Strategy which will be taken to Executive in October 2020.
Worsthorne Recreation Ground Improvements	264,180			-	264,180	94,666	36%	217,180	The drainage contract is complete and now in the maintenance phase. Multi Use Games Area / Car Park and building installation to follow for an autumn completion
Vehicle and Machinery Replacement	93,924	9,750		9,750	103,674	27,988	27%	-	Three Streetscene vans have been replaced with electric vehicles. Three transit pickups are on order and due to be delivered shortly (delayed by Covid-19). Also replaced an electric bowling green mower and a new pedestrian mower for the Padiham mowing team. Budget increase due to vehicle sales.
Thompson Park Restoration Project	84,065			-	84,065	39,849	47%	84,065	Additional improvements to toilets have been completed together with the replacement Octagonal shelter. The final completion of the project is due in August 2020, delayed from the end of March 2020 due to Covid-19
Changing Places	43,469			-	43,469	-	0%	43,469	Work on the provision of a changing places toilet within the Hall to be undertaken as part of Towneley Hall repair works, which is starting later this financial year.
Extension of Burnley Cemetery	25,000			-	25,000	-	0%	-	The contract for the design and outline planning consent for the Burnley Cemetery extension to be tendered in August 2020. Further update to be given in quarter 2.
Playing Pitch Improvements	88,000		(88,000)	(88,000)	-	-	0%	-	Design work not progressed due to Covid-19. Reprofiled to 2021/22
Refill Fountains	20,500			-	20,500	-	0%	-	Design work to be progressed by Streetscene engineers, but installation of bottle fillers may not be possible this financial year because of Covid-19 restrictions.
Stooped Wheeled Sport	3,792			-	3,792	-	0%	3,792	Scheme complete. This budget is to cover retention, payable 12 months after completion
Prairie Artificial Turf Pitch	46,221			-	46,221	5,059	11%	46,221	Scheme complete. This budget is to cover retention, payable 6 months after completion
	829,824	14,750	(88,000)	(73,250)	756,574	174,199	23%	515,400	

STREETSCENE

Alleygate Programme	26,245			-	26,245	-	0%	-	Funding allocation will provide resources to install approximately 6 new schemes in this financial year. Analytical work to identify schemes to complete by Q2. Consultation to commence Q3 with installation in Q4. All funding will be committed.
River Training Walls	69,639			-	69,639	2,125	3%	-	Remedial design works are on-going for various stretches along the River Brun and the River Calder in Thompson Park and Towneley Park respectively. It is anticipated that these works will be completed on-site in the 3rd and 4th quarter and that all the money will be spent this financial year.
CCTV Infrastructure	2,409			-	2,409	-	0%	-	Work is on-going on-site with a new camera being erected on Lower St James's Street, tied in with the Lower St James's Street upgrade scheme and Heritage Action Zone works.
Purchase Replacement Vehicle	7,400			-	7,400	-	0%	-	Vehicle to be fitted with CCTV cameras to assist with performance contract management and compliance with Health and safety. Work and all residual budget will be spent in Qtr 2.
	105,693	-	-	-	105,693	2,125	2%	-	

2020/21 CAPITAL BUDGET CYCLE 1 MONITORING - UPDATE

APPENDIX 1

Scheme Name	Budget per Outturn Report	Adjustments Per This Report		Changes to be approved in this report	Revised Budget	Total Spend as at 30/06/20	% Schemes Spend	Financed by External Funding	Narrative provided by Project Officers/Heads of Service
		Budget Adjustments	Reprofiled into Future Years						
		A	B						
	£	£	£	£	£	£	£	£	
ECONOMY & GROWTH									
Padiham Townscape Heritage Initiative	968,231			-	968,231	120,008	12%	880,230	Work to three properties was put on hold due to Covid-19, but will recommence on site soon. The Council CPO/acquisition of 33-35 Burnley Rd is due to complete July 2020, at this point the Council will begin development/design of a full repair and restoration scheme for the buildings. Public realm works are due to commence in July 2020. The project has been and will continue to be affected by the effects and risks of the Covid-19 pandemic.
Pioneer Place	135,432			-	135,432	51,250	38%	-	Contracts with the developer, Maple Grove and Reel Cinemas were signed on 17/09/2019. Marketing to occupiers has been on hold due to the Covid-19 pandemic.
Sandygate Square	3,793,706			-	3,793,706	1,781,675	47%	-	Work has been delayed as a result of supply chain problems due to the Covid-19 pandemic. Work is on-schedule for the partial completion necessary for student intake in September 2020.
NW Burnley Growth Corridor	3,659,626			-	3,659,626	-	0%	3,659,626	The public realm works experienced significant delays due to LCC re-deploying staff as a result of the Covid-19 pandemic. Detailed design has completed on the Public Realm, and works are due to commence in July 2020.
Burnley-Pendle Growth Programme	722,000			-	722,000	-	0%	-	Works to the Town Centre roundabouts, Junction 9 roundabout and Rosegrove Station have completed. Works to Rosegrove junction are ongoing but there has been a delay due to Covid-19 working restrictions and completion is now not expected until after March 2021. The former ambulance station has now been demolished and the new car park is on schedule for completion by the end of March 2021. The project has been and will continue to be affected by the effects and risks of the Covid-19 pandemic.
Town Centre & Weavers Triangle Project Work	536,730		(436,730)	(436,730)	100,000	-	0%	-	The project has been and will continue to be affected by the effects and risks of the Covid-19 pandemic. Therefore revise budget to £100k, reprofiling the remainder
Lower James Street Historic Action Zone	1,577,514			-	1,577,514	-	0%	1,070,059	The scheme has been delayed due to Covid-19. Historic England approval was delayed and it has not been possible to recruit a dedicated Historic Action Zone (HAZ) Officer to manage the programme but recruitment is now progressing. The Public Realm works should have commenced in April but LCC stopped all "non-essential" work. In order to secure LEP funding LCC have now commenced work on site. Some spend is expected in 2020/21 on HAZ wider activities including marketing and community engagement and once it is safe to do so work will commence to engage with property owners.
Padiham Town Hall Improvements	331,379			-	331,379	-	0%	298,201	Funding has been successfully confirmed from LEP. Contractor tenders have been assessed, and a preferred contractor has been selected. Work is ongoing to agree a preferred start. It is anticipated that work on the building start in July / August 2020, completing before Christmas.
Finsley Wharf & Canal Towpath Improvements	33,000			-	33,000	33,000	100%	-	Improvement work completed
Vision Park	39,386			-	39,386	-	0%	22,934	Agreement has been obtained from the LEP to carry over the remaining expenditure into 2020/21. It has been agreed the money can be used towards new proposed external signage at the entrance to the site.
Former Open Market & Former Cinema Block	50,108	30,000		30,000	80,108	-	0%	-	Demolition works and landscaping works are now complete. Work is on-going with exterior cladding and fire escape staircase replacement, which is now complete. The only remaining item is the cladding of the concrete parapet on the Bankfield elevation. The scheme is likely to be £30,000 overspent on the overall budget when completed due to unforeseen difficulties with a number of items such as the asbestos removal and waterproofing works to the former Customer Services unit.
	11,847,112	30,000	(436,730)	(406,730)	11,440,382	1,985,933	17%	5,931,050	

FINANCE & PROPERTY

Leisure Centre Improvements	95,058			-	95,058	-	0%	-	Works to various sites totalling £39k have been ordered and are ready to commence, such as Padiham CCTV and Alarm upgrades, Prairie roof safe system and Mechanics stonework repairs. These have been delayed due to lockdown and building shut downs, and discussions will take place with Burnley Leisure, to arrange completion. Other works have been identified, and will be submitted for review at the next Leisure Trust meeting.
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Scheme Name	Budget per Outturn Report £	Adjustments Per This Report		Changes to be approved in this report A + B £	Revised Budget £	Total Spend as at 30/06/20 £	% Schemes Spend £	Financed by External Funding £	Narrative provided by Project Officers/Heads of Service
		Budget Adjustments	Reprofiled into Future Years						
		A	B						
Building Infrastructure Works	3,362,938	215,000		215,000	3,577,938	229,427	6%	-	<p>All of the works to the roofs including the Clock Tower, enhanced lightning and edge protection have now been completed and work is well underway on renovating the water damaged plaster and decorations above the main staircase in the Town Hall . A third party report has been commissioned and received regarding repairs to the external stonework. Further details can be seen in the main body of the report.</p> <p>The flu gas heat exchanger/boiler, which cools cremation exhaust gases to allow removal of mercury and other contaminants has failed and is not economical to repair. The cremator maintenance contract does not include the replacement of the unit. Funding is required in this financial year to enable replacement prior to winter and the potential second wave of Covid-19. Budget adjustment of £115k required</p> <p>A budget adjustment of £100k is included after it was approved in February 2020 to bring forward a scheme for the replacement of the Cremator roof from the 2021/22 CIP into the current financial year. This is due to the urgent repairs needed.</p>
	3,457,996	215,000	-	215,000	3,672,996	229,427	6%	-	

2020/21 CAPITAL BUDGET CYCLE 1 MONITORING - UPDATE

Scheme Name	Budget per Outturn Report £	Adjustments Per This Report		Changes to be approved in this report A + B £	Revised Budget £	Total Spend as at 30/06/20 £	% Schemes Spend	Financed by External Funding £	Narrative provided by Project Officers/Heads of Service
		Budget Adjustments	Reprofiled into Future Years						
		A	B						

HOUSING & DEVELOPMENT CONTROL

Emergency Repairs	120,000			-	120,000	16,928	14%	120,000	12 grants totalling a commitment of £57k were approved before Covid-19 and still require completion by contractors. Work has restarted on external elements and will continue internally if safe working practices can be achieved.
Better Care Grant	2,994,007		(1,494,007)	(1,494,007)	1,500,000	144,084	10%	1,500,000	56 disabled facilities grants totalling a commitment of £522,835 were approved before Covid 19 and still require completion by contractors. Work has restarted on external work such as ramps. In addition a further 56 referrals from social services have been received totalling an estimated commitment of £756,000. It is not anticipated that the full budget will be spent in the current financial year. It is proposed that the budget be reduced to £1.5 million.
Energy Efficiency	50,000			-	50,000	6,000	12%	40,000	Applications continue to be received and works are recommencing to meet the allocated budget and ensure residents' homes are efficiently heated.
Empty Homes Programme	1,300,000			-	1,300,000	137,832	11%	-	Despite a challenging start to the financial year, the programme is on target to acquire another 20 properties with a programme of CPOs underway and properties being bought by agreement. Renovations of current properties is still challenging with some supplies difficult to come by. We currently have 8 loans underway and 6 new enquiries being processed.
Interventions, Acquisitions and Demolitions	100,000			-	100,000	-	0%	-	This programme is used to carry out small neighbourhood improvement schemes and to bring forward land for development. There is no spend so far this year and officers are currently exploring options for consideration
	4,564,007	-	(1,494,007)	(1,494,007)	3,070,000	304,845	10%	1,660,000	

SPORTS & CULTURE

Mechanics Lighting Equipment	55,000			-	55,000	-	0%	-	Key technical staff at the Mechanics have been on furlough since March due to Covid-19. When staff are able to return to work and an opening date for the Mechanics available the work will be completed. Further updates will be given when an indication is given as to when this will happen.
	55,000	-	-	-	55,000	-	0%	-	

CHIEF EXECUTIVE / CORPORATE INITIATIVES

Ward Opportunities Fund	14,500			-	14,500	11,902	82%	-	Following the request by Full Council for ward members to commit remaining WOF balances, Councillors identified a number of projects, ranging from Christmas lights in Hapton, a Bee Garden at Rosewood Junior School, the community centre in Gannow and street improvements in Brunshaw, amongst others. Further internal charges are to be allocated, which will mean the entirety of the budget will be spent.
	14,500	-	-	-	14,500	11,902	82%	-	
	20,874,132	259,750	(2,018,737)	(1,758,987)	19,115,145	2,708,431	14%	8,106,450	

Scheme Name	Revised Budget £	FINANCING ELEMENTS						Total Revised Budget £
		Prudential Borrowing £	Revenue Cont'n / Reserves £	Capital Grants £	Capital Receipts £	Vacant Property Initiative Receipts £	3rd Party Contribution / Section 106 £	
Green Spaces & Amenities								
Brun Valley Forest Park	45,607						45,607	45,607
Play Area Improvement Programme	120,066				45,000		75,066	120,066
Worsthorne Recreation Ground Improvements	264,180			183,311	47,000		33,869	264,180
Vehicle and Machinery Replacement	103,674		103,674				-	103,674
Thompson Park Restoration Project	84,065			84,065				84,065
Changing Places	43,469						43,469	43,469
Extension of Burnley Cemetery	25,000	25,000						25,000
Refill Fountains	20,500		20,500					20,500
Stoops Wheeled Sport	3,792			3,792				3,792
Prairie Artificial Turf Pitch	46,221			46,221				46,221
	756,574	25,000	124,174	317,389	92,000	-	198,011	756,574
Streetscene								
Alleygate Programme	26,245				26,245			26,245
River Training Walls	69,639				69,639			69,639
CCTV Infrastructure	2,409		2,409					2,409
Purchase Replacement Vehicle	7,400	7,400						7,400
	105,693	7,400	2,409	-	95,884	-	-	105,693
Economy & Growth								
Padiham Townscape Heritage Initiative	968,231			826,880	88,001		53,350	968,231
Pioneer Place	135,432		135,432					135,432
Sandygate Square	3,793,706	3,793,706						3,793,706
NW Burnley Growth Corridor	3,659,626			3,659,626				3,659,626
Burnley-Pendle Growth Programme	722,000		722,000					722,000
Town Centre & Weavers Triangle Project Work	100,000	100,000						100,000
Lower St James Street Historic Action Zone	1,577,514	107,455	400,000	979,047			91,012	1,577,514
Padiham Town Hall Improvements	331,379	33,178		298,201				331,379
Finsley Wharf & Canal Towpath Improvements	33,000		33,000					33,000
Vision Park	39,386			22,934	16,452			39,386
Former Open Market & Former Cinema Block	80,108	80,108						80,108
	11,440,382	4,114,447	1,290,432	5,786,688	104,453	-	144,362	11,440,382
Finance & Property								
Leisure Centre Improvements	95,058	95,058						95,058
Building Infrastructure Works	3,577,938	2,797,072	81,400		699,466			3,577,938
	3,672,996	2,892,130	81,400	-	699,466	-	-	3,672,996
Sports & Culture								
Mechanics Lighting Equipment	55,000	55,000						55,000
	55,000	55,000	-	-	-	-	-	55,000
Housing & Development Control								
Emergency Repairs	120,000			120,000				120,000
Better Care Grant	1,500,000			1,500,000				1,500,000
Energy Efficiency	50,000		10,000	40,000				50,000
Empty Homes Programme	1,300,000					1,300,000		1,300,000
Interventions, Acquisitions and Demolitions	100,000					100,000		100,000
	3,070,000	-	10,000	1,660,000	-	1,400,000	-	3,070,000
Chief Executive								
Ward Opportunities Fund	14,500				14,500			14,500
	14,500	-	-	-	14,500	-	-	14,500
TOTAL OF ALL SCHEMES	19,115,145	7,093,977	1,508,415	7,764,077	1,006,303	1,400,000	342,373	19,115,145

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CAPITAL RECEIPTS AND CONTRIBUTIONS ANALYSIS FOR 2020/21 + CIP 2021-25

APPENDIX 3

	<u>General Capital Receipts</u> £	<u>Vacant Property Initiatives Receipts</u> £	<u>Section 106 Money</u> £	<u>3rd Party Cont'ns</u> £	<u>Total</u> £
Capital Resources Brought Forward on 1 April 2020	796,815	911,799	337,253	287,899	2,333,766
Add					
Resources Received As At 30 June 2020	25,000	-	-	-	25,000
Further Resources Estimated to be Received during 2020/21:	491,000	995,000	-	13,000	1,499,000
Potential Resources Available during 2020/21	1,312,815	1,906,799	337,253	300,899	3,857,766
Less					
Required to finance Capital Programme	(1,006,303)	(1,400,000)	(114,937)	(227,436)	(2,748,676)
Earmarked for Revenue Expenditure	-	-	-	-	-
Earmarked for Delivery By Outside Bodies	-	-	(162,316)	-	(162,316)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2021	306,512	506,799	60,000	73,463	946,774
Add - Resources Estimated to be Received during 2021/22	150,000	1,290,000	113,000	312,242	1,865,242
Less - 2021/22 Capital Budget	(867,559)	(1,400,000)	(113,000)	(312,242)	(2,692,801)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2022	(411,047)	396,799	60,000	73,463	119,215
Add - Resources Estimated to be Received during 2022/23	100,000	1,215,000	-	572,039	1,887,039
Less - 2022/23 Capital Budget	(625,385)	(1,400,000)	-	(572,039)	(2,597,424)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2023	(936,432)	211,799	60,000	73,463	(591,170)
Add - Resources Estimated to be Received during 2023/24	100,000	1,215,000	-	25,781	1,340,781
Less - 2023/24 Capital Budget	(355,650)	(1,400,000)	-	(25,781)	(1,781,431)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2024	(1,192,082)	26,799	60,000	73,463	(1,031,820)
Add - Resources Estimated to be Received during 2024/25	100,000	1,215,000	-	-	1,315,000
Less - 2024/25 Capital Budget	(91,351)	(1,400,000)	-	-	(1,491,351)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2025	(1,183,433)	(158,201)	60,000	73,463	(1,208,171)

Note a: Figure updated to incorporate changes to the revised estimate on the Town Hall scheme

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REPORT TO EXECUTIVE



DATE	22nd September 2020
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	Amy Johnson
TEL NO	01282 477172
EMAIL	ajohnson@burnley.gov.uk

Final Revenue Outturn Position 2019/20

PURPOSE

1. To report the provisional position on the Council's revenue accounts for 2019/20.

RECOMMENDATION

2. That the Executive Members are requested to recommend that Full Council approve:
 - a) The provisional final position on the Council's revenue account for 2019/20 shows a net deficit of £93k which has been funded from the Transformation Reserve. Of the £93k net deficit, £66k was due to Covid-19 related budget pressures incurred in March 2020 which reduces the true in year net deficit to £27k. The projected overspend from the outturn position estimated during quarter 3 budget monitoring was £140k.
 - b) The transfers to/from Earmarked Reserves totalling a net £0.888m increase to reserves (see Appendix 2).
 - c) The approval of additional revenue budget carry forward requests from Heads of Service totalling £0.047m (see Appendix 3).

REASONS FOR RECOMMENDATION

3. To conclude the revenue budget monitoring process for 2019/20 and report the final outturn position as outlined in the Council's Statement of Accounts for 2019/20.

SUMMARY OF KEY POINTS

Revenue Outturn position

4. Members will recall that there were three quarterly budget monitoring reports to the Executive during 2019/20. These reports disclosed that there were anticipated variations in spending and income compared with the revised budget. The third and most recent in-year monitoring report to Full Council, in February 2020, estimated a year end overspend of £140k on the revenue account.
5. Members will also be aware that the Government took the decision to close all schools, ban 'non-essential travel' and close 'non-essential' businesses towards the end of March 2020 to encourage social distancing and control the spread of Coronavirus. This has impacted on the 2019/20 provisional outturn, however the impact has not been significant and has mainly been focused around fees and charges income, for example, car parking income.
6. The final outturn on the Council's revenue account for 2019/20 has maintained the overspend position as estimated in the quarter 3 budget monitoring report. However, the overspend position has reduced from £140k as estimated at quarter 3 to an outturn overspend of £93k (see Appendix 1). Of the £93k overspend, £66k was due to additional expenditure and loss of income incurred in March due to the Coronavirus pandemic, for example, loss of car park income, purchase of IT equipment to facilitate homeworking and loss of council tax and business rates income. This reduces the true in year overspend to £27k.

Table 1 below shows actual spend compared to budget and the associated variance for each service department. Also shown is the variance to the forecast reported at quarter 3:

Table 1:

		REVISED BUDGET £000	ACTUAL £000	VARIANCE (Actual to Revised Budget) £000	FORECAST Q3 £000	VARIANCE (Actual to Forecast Q3) £000
a	Economy and Growth	995	1,035	39	1,012	23
b	Policy and Engagement	423	445	22	476	(31)
c	Management Team	339	335	(4)	340	(5)
d	Sport and Culture Leisure Client	637	650	13	609	41
e	Green Spaces and Amenities	897	953	56	893	61
f	Streetscene	3,188	3,086	(102)	3,048	38
g	Housing and Development Control	456	477	20	455	22
h	Strategic Partnership	3,882	3,747	(135)	3,882	(135)
i	Finance and Property	434	517	83	479	38
j	Revenues and Benefits Client	(1,330)	(1,421)	(91)	(1,332)	(89)
k	Legal and Democratic Services	1,005	912	(93)	972	(60)
l	People and Development	217	185	(32)	201	(16)
	NET SERVICE BUDGET	11,142	10,920	(222)	11,035	(115)
	Corporate Income & Expenditure	2,717	3,081	364	3,209	(128)
	Parish Precepts (<i>Disbursement to Parishes</i>)	154	154	0	154	0
	Treasury (<i>Investment Income & Expenditure</i>)	870	926	56	892	34
	Earmarked Reserves (to / (from))	1,085	980	(105)	819	162
	NET CORPORATE ITEMS	4,827	5,141	315	5,074	68
	Parish Precepts (Receipts from Council Tax Payers)	(154)	(154)	0	(154)	0
	Council Tax	(6,962)	(6,962)	0	(6,962)	0
	Prior Year Collection Fund (Surplus)/Deficit	32	32	0	32	0
	Business Rates: Retained Income	(8,277)	(8,277)	0	(8,277)	0
	Revenue Support Grant	0	0	0	0	0
	New Homes Bonus	(607)	(607)	0	(607)	0
	FUNDING	(15,968)	(15,968)	0	(15,968)	0
	BUDGET BALANCE	0	93	93	140	(47)

A summary of the significant variances is shown in the table below:

	Significant Variances £'000s
Underspend / Increased Income	
Increased housing benefit income mainly due to a reduction in the provision set aside for bad debts as a result of an in-year reduction in the number of outstanding debts. This has been partially offset by a reduced Administration Grant received than estimated and lower recovery of housing benefit overpayment.	(155)
Increased income from interest on temporary investments and property fund dividends.	(62)
Additional New Homes Bonus income.	(114)
Additional income from trade waste.	(44)
Increased Expenditure / Reduced Income	
Additional interest payable on borrowing costs. The Council has previously adopted a policy of 'under borrowing' against the Capital Financing Requirement, however due to low interest rates on external borrowing a decision was taken to borrow in accordance with our Capital Financing Requirement.	97
Increases to year end provisions.	227
Reduction in interment and cremation income.	39

7. Reserves Transfers

The Executive is asked to recommend to Full Council approval of the movements in earmarked reserves being a net overall increase in the year of £0.888m – see Appendix 2 – from £7.246m at the start of the year to an end position of £8.134m.

Of the transfers to reserves, a significant proportion are external grant monies received in year which have not been fully spent at year end. External grant monies received are conditional and cannot be spent on other purposes.

The balance of General Reserves has remained at £1.379m.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

8. As shown in the body of the report and appendices.

POLICY IMPLICATIONS

9. The provisional outturn position will be reflected in the draft Statement of Accounts which will show the spending by the Council in pursuit of declared objectives in that financial year and the reserves and balances available for future spending. The final date for publication of the draft Statement of Accounts is 31st August 2020. In previous financial years this deadline was 31st May, however due to the Coronavirus pandemic the deadline has been delayed.

The draft Statement of Accounts will be subject to audit by the Council's external auditors, Grant Thornton UK LLP. There may be minor adjustments to the figures included within the provisional outturn as a result of the audit. The deadline for publication of the audited Statement of Accounts is 30th November 2020 (previously 31st August). The Accounts will be reported to the Audit and Standards Committee.

DETAILS OF CONSULTATION

10. None.

BACKGROUND PAPERS

11. None.

FURTHER INFORMATION
PLEASE CONTACT: Amy Johnson Finance Manager

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Revenue Underspending 2019/20

Appendix 1

			Cumulative £000s
Forecast budget deficit position at 31/12/19 - Cycle 3			140
Final Variances			
<u>Expenditure Savings</u>			
Additional New Homes Bonus income	(114)		
Reduced Housing Benefits bad debts provision	(263)		
Reduced provision for Municipal Mutual Insurance expenses	(25)		
Reduced provision for pension guarantees	(10)		
Reduced Sundry Debtors provision	(64)	(476)	
<u>Increased Income</u>			
Increased temporary investment and property fund dividend income	(62)		
Increased income from trade waste	(44)	(106)	(582)
<u>Increased Expenditure</u>			
Increase to interest costs payable on external borrowings	97		
Increase to legal expenses provision	5		
Establish Pioneer Place provision	250	352	
<u>Reduced Income</u>			
Reduced income from the recovery of housing benefit overpayments	85		
Reduced intermnet and crematorium income	39	124	476
Other minor net overspends/(underspends) under £20k	59	59	59
<u>Use of Reserves</u>			
Use of reserves to achieve provisional outturn break even posiion	(93)	(93)	(93)
Break even position for year			-

		2018/19			2019/20		
	Balance at 31	Movements		Balance at 31	Movements		Balance at 31
Transfers to/from Earmarked Reserves	March 2018	Net transfers	between	March 2019	Net transfers	between	March 2020
Earmarked Reserves	£000s	In/(Out)	Reserves	£000s	In/(Out)	Reserves	£000s
		£000s	£000s		£000s	£000s	
Specific Reserves							
Taxi Licensing	7	(3)	-	4	-	-	4
Selective Licensing	446	33	-	479	(90)	-	389
Local Development Framework	100	(78)	-	22	-	-	22
Housing Benefit Admin Subsidy	34	-	(34)	-	-	-	-
Transport & Plant Replacement	28	(3)	-	25	(4)	-	21
Rail Services	20	-	(20)	-	-	-	-
Revenue Grants Unapplied	164	77	-	241	24	(37)	228
Flood	69	(69)	-	-	-	-	-
Primary Engineer	92	(55)	-	37	-	-	37
Town Centre Management	375	(375)	-	-	-	-	-
Town Centre & Weavers Triangle	113	(18)	-	95	-	-	95
Burnley Bondholders	54	(10)	-	44	(22)	-	22
Business Rates Retention Volatility	212	1,897	(250)	1,859	739	-	2,598
Cremator Relining	15	15	-	30	15	-	45
Revenue Support	-	-	304	304	100	-	404
Carry Forwards	-	128	-	128	(81)	-	47
Regeneration Reserve (New)	-	-	-	-	(138)	478	340
	1,729	1,539	-	3,268	543	441	4,252
Strategic Reserves							
Transformation	1,831	(503)	-	1,328	480	-	1,808
Growth	3,218	(568)	-	2,650	(135)	(441)	2,074
	5,049	(1,071)	-	3,978	345	(441)	3,882
Total	6,778	468	-	7,246	888	-	8,134

Service Unit / Task	Details	2019/20 Budget	2019/20 Forecast Outturn	2019/20 (Under) / Over Spend	Amount to be Approved Q4
		£	£	£	£
Policy & Engagement					
Digital Transformation	Outstanding contractual payment for Idox Uniform which was due October 2019, but has been delayed due to further product testing. Monies were set aside in a reserve 18/19 and transferred out in 19/20 to be spent. This is the unspent balance of these monies.	50,725	38,352	(12,373)	11,896
Childrens University	Unspent educational grant distributions. Monies were transferred out of reserve in 19/20 to be spent. This is the unspent balance of these monies.	8,040	1,120	(6,920)	6,920
Sub-total		58,765	39,472	(19,293)	18,816
Green Spaces and Amenities					
Trees for Thompson Park	Donations have been received during the year for commemorative tree planting in Thompson Park. Request is for unspent donations for commemorative trees to be carried forward into 20/21.	2,600	0	(2,600)	2,562
Bonfire	BooHoo Sponsorship monies received for 2020 bonfire. To be set aside for use in 20/21 financial year.	(23,000)	(28,228)	(5,228)	5,000
Sub-total		(20,400)	(28,228)	(7,828)	7,562
Streetscene					
Engineers	Delayed bus shelter work. Works to be completed 20/21.	18,450	17,150	(1,300)	1,300
Engineers	Delayed CCTV installation due to lockdown. Works to be completed 20/21.	21,380	984	(20,396)	19,000
Sub-total		39,830	18,134	(21,696)	20,300
Totals		78,195	29,378	(48,817)	46,678

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COVID-19 COMMUNITY RECOVERY PLAN

REPORT TO EXECUTIVE



DATE	22nd September 2020
PORTFOLIO	Leader
REPORT AUTHOR	Rob Dobson
TEL NO	3115
EMAIL	rdobson@burnley.gov.uk

PURPOSE

1. To seek Executive approval of the council's covid-19 community recovery plan.

RECOMMENDATION

2. That the Executive approve the strategy (appendix 1).

REASONS FOR RECOMMENDATION

3. The aim of the strategy is to generate positive outcomes to address the fragilities, and make the most of the opportunities, that the emergency has exposed.

SUMMARY OF KEY POINTS

4. The strategy identifies a range of interventions under the headings of humanitarian assistance, economic, infrastructure and environmental.
5. A key plank of the strategy is the development of the Burnley Together Hub. Burnley Together (the hub) has been operating for 25 weeks since the start of the Coronavirus pandemic. Its contact centre received 11,045 contacts, providing direct support to 2,208 families. The hub offers a range of services both directly and through its network of partners. Throughout April, May, and June the hub made contact and checked on 2,930 of the town's most clinically and socially vulnerable people. Mostly this was via telephone contact but on 152 occasions home visits were arranged to ensure safety. Outputs so far include:
 - 4,868 food parcels to those in need thanks to hub partners' BFC in the Community, Ghausia, and Gannow foodbank.
 - During the summer holidays, with funding from DEFRA the hub distributed 52,772 meals through a new community food partnership including our foodbanks, Charter House, Northern Community Networks, Padiham Town Council and Burnley Boys and Girls Club ensuring that no family had to go hungry during the school holidays
 - The hub provided 545 residents with support for shopping whilst they have been

- shielded.
 - The hub's delivery service made sure 263 individuals have had uninterrupted supply of their medication.
 - The hub supported 145 individuals to register for volunteering. Thanks to Burnley, Padiham and Rossendale CVS the volunteers received training and had access to opportunities that met their skills.
6. Burnley Together's greatest strength is the broad range of partners it has brought together for coordinated action. At present, it has over 100 partners registered on its database. Building on this success, Appendix 2 gives an overview of how Burnley Together is to evolve. While continuing to support all vulnerable residents, a key priority for the hub is to provide a co-ordinated service to young people, by helping them with skills and employment.
 7. The Executive will also be asked to consider a separate strategy prepared by the Head of Economy and Growth detailing the actions to be taken in support of the borough's economic recovery.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

8. A one-off grant of £10,000 for the community kitchen to ensure that the most vulnerable in society have free access to essential provisions.
9. A one-off grant of £10,000 to the Community Foundation for Lancashire, to support its efforts to bring in externally funded support for Burnley's most vulnerable residents
10. £30,000 to fund a post in the Burnley Together Hub.
11. The above will be funded through a one off payment from reserves.

POLICY IMPLICATIONS

12. The main implications are:
 - a. Establishing a governance structure for the Hub, including maintaining good data protection policy and practice.
 - b. Making sure that the Hub complements and enhances existing services and reduces complexity for residents in accessing the services they need. The Hub must work through all the issues holding back the life chances of its service users, going beyond the initial contact to create a culture of independence through empowerment and targeted support.
 - c. The council's community strategy and organisational development strategy must adapt to long term changes in society that could have been triggered by the pandemic: e.g. the homeworking 'revolution.'

DETAILS OF CONSULTATION

13. Calico.

BACKGROUND PAPERS

14. None.

FURTHER INFORMATION PLEASE CONTACT: Lukman Patel ALSO: Rob Dobson
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Covid Recovery Community Plan

Final draft 0.5

Introduction

In July 2020, Burnley Council's Executive published a 10 point plan to keep people safe and help our economic recovery. This document builds on that plan to create a fully-fledged strategy and action plan. The strategy is owned by the Executive, with delivery overseen by the Council's Chief Executive and Chief Operating Officer, who will work with national and local partner agencies, and residents: the objectives will only be achieved through partnership.

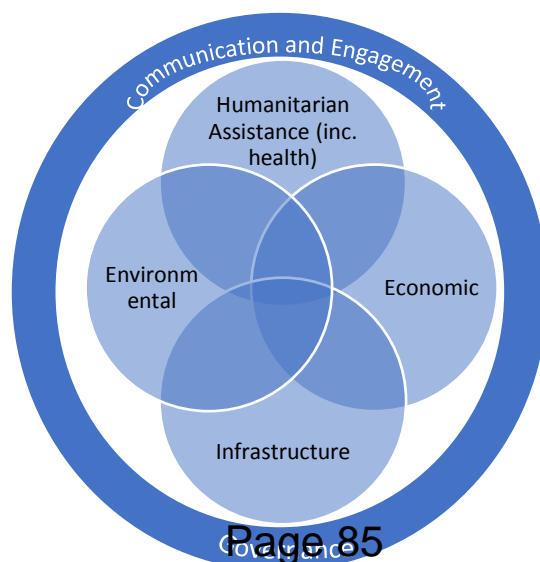
What is recovery?

In a paper written by the 'Recovery from Covid-19' team, led by Professor Duncan Shaw at the University of Manchester, recovery is defined as:

- the process of **rebuilding, restoring and rehabilitating society** following an emergency, but it is more than simply the replacement of what has been destroyed and the rehabilitation of those affected.
- **Recovery is a process** – and is gradual. The pace of recovery will depend on the residual impact of the pandemic, ongoing demands, backlogs, staff and organisational fatigue, and continuing supply difficulties. Therefore, a gradual return to a 'new' normality is to be expected in the short- and long-term.
- Recovery **aims to generate positive outcomes** to address the fragilities and opportunities that the emergency has exposed.
- Recovery **offers a wide range of opportunities** at all levels from national government to individuals and communities – environmental / cultural / technological / 'community' / partnership working / public health & healthy living.
- Achieving this 'new normality' is a **complex social and developmental process** rather than just a remedial process.

What do we need to consider in our recovery strategy?

This document follows the guidance of Prof. Shaw's team, using generic categories to capture the key issues. The framework of humanitarian assistance, economic, infrastructure and environmental, supported by key enablers (governance and communication) is used to this end.



Recovery Plan

Humanitarian Assistance

1. Keep Burnley Safe! Success in managing local infection rates and avoiding local lockdowns will be key factors in both saving lives and Burnley's economic recovery. We will work with businesses, local people and police to make sure people see, hear and apply rules to keep us safe.

Action	When	Owned by
Prioritise environmental health resources on supporting the implementation of government guidance on covid secure environments	Underway	Chief Operating Officer
Ensure intelligence on local outbreaks is shared and rapid action taken as part of local track and trace response	Underway	Chief Executive

2. We will support and safeguard high-risk populations, including elderly people, BAME people and care home residents. We will respond to the extra challenges faced by women and young people, including their mental health.

Action	When	Owned by
Work with local partners to ensure the district's share of the DEFRA emergency assistance grant is distributed to those most in need of support	September 20	Head of Policy and Engagement
Provide a grant of £10k to the Community Kitchen, to help it feed our most vulnerable residents	September 20	Chief Executive
Provide a grant of £10k to the Community Foundation for Lancashire, to support its efforts to bring in externally funded support for Burnley's most vulnerable residents. The Foundation allocated over £140k to community organisations in the borough during the lockdown	September 20	Chief Executive
Retain the capability of Burnley Together to help shield clinically vulnerable individuals in case of any future lockdown	Ongoing	Calico/Chief Operating Officer
Support any future targeted vaccination response, to protect those most at risk	TBC	Head of Policy and Engagement
Through Burnley Together, establish a joined-up, personalised service that supports residents to get a job, gain new skills, and connect with social activities for improved well-being. The council will commit £30k to the project	Ongoing	Head of Economy and Growth, Head of Policy and Engagement, Calico
Deliver a new plan to fast-track accommodation for the homeless, with root causes of homelessness addressed	Ongoing	Head of Housing and Development
Delivery of the new ESOL project	Ongoing	Head of Policy and Engagement
Continue the youth mental health project and assess results of the project	Ongoing	Head of Policy and Engagement
Promptly pay hardship funding and promote the use of Discretionary Housing Payments	Ongoing	Chief Operating Officer/Liberata
Promote debt management services and signpost to appropriate government support and benefit schemes. Review the council's debt recovery process	Ongoing	Chief Operating Officer/Liberata
Work with our partners to ensure continuous	Ongoing	Head of Housing and

improvement in the disabled facilities grant process		Development
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- We will safeguard and support the Council's employees; promoting public awareness of their role and commitment during the pandemic.

Action	When	Owned by
Thorough risk assessment and implementation of covid secure practices, to protect staff at work	Completed	Chief Operating Officer
Ensure our organisational development strategy and culture supports effective home working	Ongoing	Chief Operating Officer
Regular health and wellbeing news during lockdown	Ongoing	HR
Regular updates from the Chief Executive	Ongoing	Chief Executive
Team Awards	By Dec 20	Head of Policy and Engagement

- Community groups throughout Burnley have responded to the COVID crisis, supporting vulnerable people and helping us all to cope. We should celebrate their contribution and work with them to continue to sense of shared responsibility and engagement amongst local people.

What we will do	When	Owned by
Create a social media campaign to celebrate actions by all sections of the community during the crisis, that promote shared identity and social cohesion	Ongoing	Head of Policy and Engagement
Maintain budget commitment to CVS and CAB until 2022, building on the new volunteer base	February 2020	Council Executive

- COVID has increased inequality for many groups in the UK including health inequality. Burnley will record the effects on our people and do all we can to reduce the impact of rising inequality, including addressing the social determinants of health.

Action	When	Owned by
Support the Burnley Health and Wellbeing partnership to address the wider determinants of health	Ongoing	Burnley's Primary Care Networks / Head of Policy and Engagement
Deliver <i>Together an Active Future</i>	Ongoing	Health and wellbeing partnership
Deliver <i>Burnley Active Families</i>	Ongoing	Burnley Leisure / Action for Children
Support Burnley Leisure Trust to deliver quality community sport and leisure	Ongoing	Chief Operating Officer
Use data to inform council and community hub priorities	Ongoing	Head of Policy and Engagement/partners
Support the census, and use findings to inform local, regional and national decision making	Ongoing	Head of Policy and Engagement

Economic

6. Help Burnley back to work! We will engage with manufacturing businesses and industry bodies about the implications of the pandemic and Brexit including the effects on demand for their products; supply-chains, delays and costs; tariffs; changing transaction costs; employment and labour market changes; and their responses. We will identify needs and opportunities for support and investment. We will help small businesses to work together and with us to enable them to survive and prosper.

Action	When	Owned by
New covid economic recovery strategy	Ongoing	Head of Economy and Growth
Deliver on our commitment to spend more of the council's budget locally and encourage partners to do the same	Ongoing	Chief Executive

Infrastructure

7. Big changes are already taking place in how people shop and where many of them work. The pandemic has accelerated these changes. We shall plan for the future of our town and local centres, working with shop-owners and businesses.

Action	When	Owned by
We will continue to deliver a cloud first digital strategy to help achieve business continuity and remote working	Ongoing	Head of Policy and Engagement
We will improve our digital services so that residents can easily access services 24/7 from home	Ongoing	Head of Policy and Engagement/Streetscene Services Manager/ Liberata
We will influence partners, so that the borough's data infrastructure continues to improve	Ongoing	Head of Economy and Growth
Work with partners in the VCFS to increase digital inclusion	Through 2021	Head of Policy and Engagement

Environmental

8. We will build on the opportunities created by COVID to build a greener future, and we will encourage more residents to benefit from our beautiful parks and green spaces

Action	When	Owned by
We will make our green spaces accessible and continue to improve our playgrounds, while promoting social distancing.	Complete	Head of Green Spaces and Amenities
We will encourage staff to work from home where possible, thereby saving on car journeys	Ongoing	Chief Executive

Communication and engagement

9. We will form an Economic Recovery Board with local partners, and will work with educational bodies, and government bodies to plan for longer-term structural change in the Burnley economy and to develop strategies for business and jobs, including greening the local economy, tackling climate change and helping everyone to acquire new skills, particularly younger people so they can face a confident and successful future.

Action	When	Owned by
Establish an Economic Recovery Board	By end of 20	Head of Economy and Growth
Update the Community Strategy	By Feb 21	Head of Policy and Engagement
Update the Aspiration Strategy	By Feb 21	Head of Policy and Engagement

10. Throughout this process, we shall communicate with the people of Burnley so they know what's happening, what their council is doing and what they can do to help.

What we will do	When	Owned by
Regular promotion of key safety messages through council communications, using social media to target different audiences in the borough	Underway	Head of Policy and Engagement
Video campaign with Exec members	Underway	Head of Policy and Engagement

Governance

11. We will build on the Burnley Together Hub to meet the challenges faced today by Burnley people including unemployment, debt management, domestic abuse, social isolation, discrimination and depression. We shall bring together agencies to continue to co-ordinate responses, including community groups and the voluntary sector.

What we will do	When	Owned by
Prepare a plan to resource the Hub	Ongoing	Chief Operating Officer/Calico
Establish a new partnership structure to oversee the development of the Hub	By September	Chief Operating Officer

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Appendix 2: Community Recovery Strategy- Burnley Together partnership development proposal

INTRODUCTION

Burnley Together is a partnership between Burnley BC, the Calico Group, Burnley, Padiham and Rossendale CVS, Burnley Leisure, Burnley FC in the Community, Building Bridges, Lancashire Police, Lancashire Fire and Rescue, the Primary Care Networks and Lancashire CC. We also recognise the importance of our community and voluntary sector in our effort generally, but particularly Charter House, Ghausia Mosque, Stoops and Hargher Clough Community Centre, Gannow Community Foodbank, Northern Community Networks, Burnley Boys and Girls Club, and Valley Street Community Centre.

We were set up as an emergency response to work together in the best interests of the community during the Coronavirus (Covid – 19) crisis. Burnley Together has operated as an umbrella organisation bringing together business, community, voluntary and faith sectors as well as individuals. It has been an informal partnership that provides a space for people to contribute to the town's efforts to overcome the global pandemic.

Many local people have come forward to offer their services volunteering to help the local community in this difficult time. Volunteers play an essential role in the delivery of Burnley Together and we are grateful for their support. Volunteers will continue to play a vitally important role as we move forward.

In the three months that we have been in operation we have delivered a service that has been central to the effort to save lives. We have been the safety net for people in their most vulnerable times visiting properties, assessing needs and making sure that people have been kept safe. Our efforts to keep people safe have enabled strategic partners to focus on other areas that have contributed to the effort to protect our borough.

Burnley Together has delivered something unique, creating a strong place based partnership that has focused resources on getting things done. As the emergency phase of the Covid-19 crisis comes to a conclusion there is a desire from partners to continue this way of working as we transition into the 'new normal'.

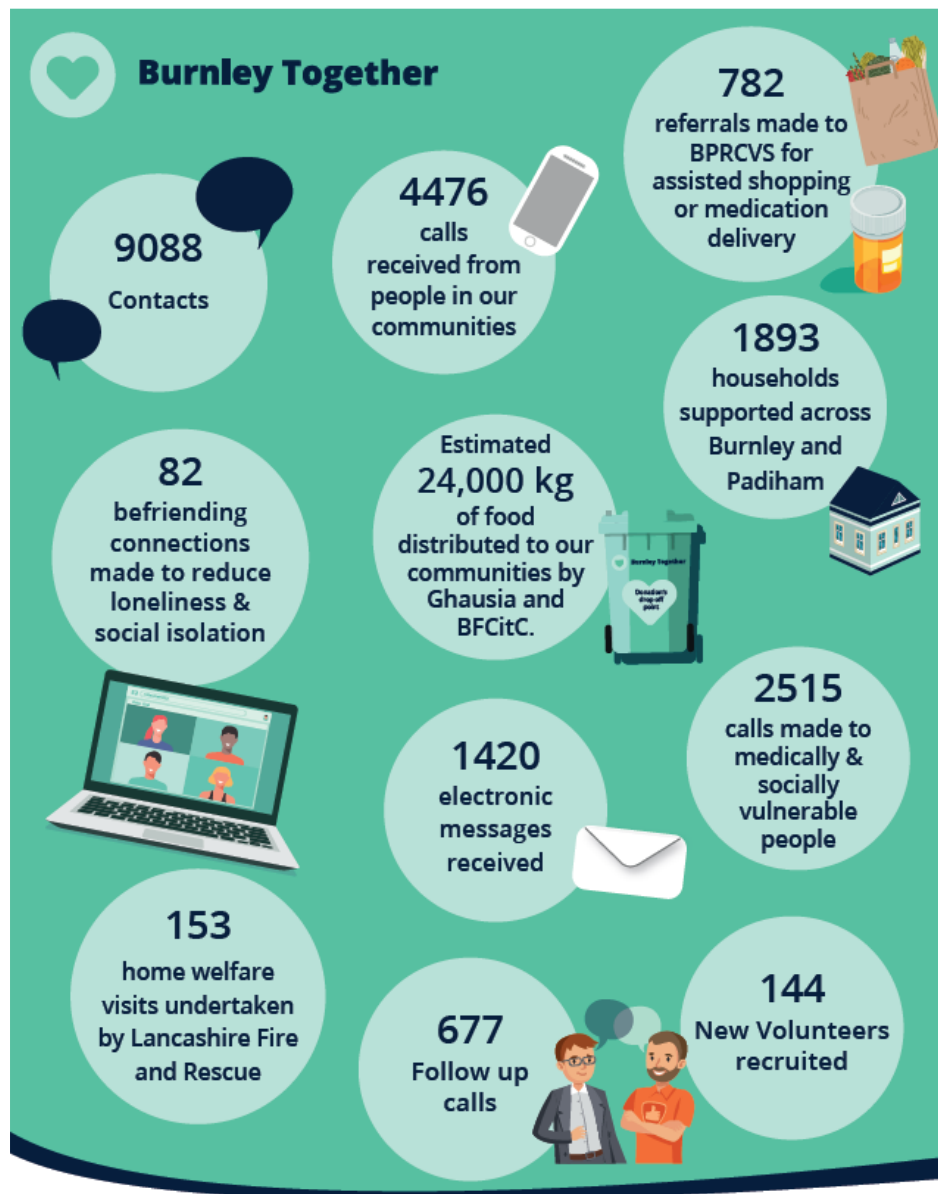
This paper proposes a Burnley Together service that is owned by the community, driven through partnership working, and coordinated by the Calico Group. The purpose of this partnership will be to continue to build a service that responds to local needs, delivers personalised services, builds inclusion and trust in our communities, and empowers our residents to be independent.

WHAT BURNLEY TOGETHER HAS ACHIEVED

From team members dining tables, kitchens, and bedrooms we have provided a one stop shop approach meaning that whoever you are, whatever you need we can help. Services requests are channelled through a contact centre open seven days per week. We have ensured support is given

to everyone that has contacted us even though many of the support services usually called upon for help have been closed.

In our first three months of operation we have supported over 8,000 individuals living in Burnley providing welfare checks to those who are shielding; food for families that are struggling financially; arranged picking up and dropping off of prescriptions; and befriending services for those that are lonely and socially vulnerable. The infographic below demonstrates our key achievements and the impact we have had on the community.



Burnley Together has built and strengthened connections with our communities enabling relationships to be formed around trust with our public, third, and business sectors. We have seen all corners of our community come together in this effort helping each other out, delivering services

where they have been needed most, and making sure no one gets left behind. Community inclusion has been at its best with new relationships emerging that can provide a foundation for the future.

We have personalised our service offer. Conversations enable our contact handlers to understand the needs of the individuals and to ensure they get the help that will make a difference. All contacts are followed up and impact is assessed enabling us to show the value of what we have done and to encourage the promotion of empowerment and independence.

Our focused way of working and energy to get things done has engaged our partners too. Burnley Together has renewed relationships and created vigour for continued collaboration. The achievements of Burnley Together have created a desire to come together to look to a future. Our partners have the opportunity to harmonise their strengths through this proposed partnership to ultimately delivery more impact in our communities. We know the place based approach is being pursued in housing, health, economy and the broader community development arenas and we think Burnley Together can be the vehicle to make these things happen.

THOUGHTS AND CONCLUSIONS OF THE EMERGENCY PHASE

One thing that is clear from the emergency response work completed is that many of the challenges we have responded too existed before Covid-19. The pandemic provided residents with the opportunity to surface these issues and seek to get them resolved. Our customers have a unifying characteristic in that that they have told us that accessing services is often difficult and confusing with the need to tell their story multiple times. The old ways of working are de-humanising and ineffective – they don't get people the help they really need to move forward and become independent. Those ways of working perpetuate a cycle of dependence and overburden services.

As the lockdown began to ease with daily infection and death rates falling there was a sense that things are moving back to normal. We know through our contacts with the public and the work of our partner agencies that this is not the case. Whilst the crisis of the first wave of pandemic is moving to a conclusion it brings with it a range of new challenges for our borough to overcome as a direct impact of the actions taken over the last 3 – 6 months. The outcomes of our proposal will respond directly to those challenges, whilst also providing flexibility into the future.

The vulnerable elements of our community remain vulnerable; perhaps more so for the three months in which they have been cut off from the outside world and services that provided them with support. Our children will have received little or no formal education for a six month period by the time they return to school in September. Our parents are mentally exhausted from the challenge of running homes, working and doing their best to teach their children. And our workforce, both young and old, will face unprecedented pressure around redundancy and job availability. Direct impacts of the fallout of the virus and issues that are already emerging through conversations in our contact centre.

There will also be indirect impacts. The challenges around mental health will grow; the prevalence of people needing intervention will become greater as will the pressure on services. The impact of food poverty and reliance on our town's foodbank. The weight of expectation on our health and social care system and a general worsening of health and wellbeing are very real risks. And all of this in the context of being prepared if a second wave of Covid-19 comes in the winter months.

Burnley Together's role in the Covid-19 response isn't going to end. It will need to evolve as the needs of our communities change. Our proposal is not about changing existing structure, it's about augmenting those structures and adding strength where necessary.

Our proposal is about recognising the specialisms of our partners and focusing their energy on that area. It's about working with individuals, both with complex needs and not, and getting them help through personalisation and connection to the right services. It's about delivering a truly place based approach, delivering significantly improved outcomes for the residents, and reducing the burden on key public services.

EMERGING CHALLENGES FOR BURNLEY

The next 12 – 24 months will see a number of challenges emerge for Burnley and its residents as a result of the global pandemic. Three main areas are considered.

Jobs and skills development

In May Burnley had a claimant count of 8% (ranked 10th worst nationally) and a youth unemployment rate at 10.3% (6th). Whilst these figures are high, they are lower than perhaps might have been anticipated indicating that the Government's job retention scheme is working. Whilst this maybe reassuring to a degree it masks a future challenge highlighted by Centre for Cities¹ which indicates that Burnley has 31% of its workforce furloughed (for three weeks or more), second highest in England, which is 4 – 5% higher than any other town or city in the top ten of either count.

This suggests there is a latent problem for employment within Burnley that is yet to be fully exposed. In an earlier report the Centre for Cities² identified that in the region of 70% of roles in Burnley would be affected, vulnerable or very vulnerable to Covid-19.

The government is rolling back the job support scheme in Burnley and this is expected to have a significant impact on jobs locally. Local companies are identifying a need for redundancies and we should expect this to continue. A key issue for Burnley is the reliance of our economy on engineering and aerospace both of these industries are considered to be particularly exposed to the anticipated downturn as a result of Covid-19 pandemic.

Linked to the above, but a bit different is the impact of the virus on young people. The dominant focus at present is on the ability of young people to enter the labour market. The pressures are significant. Young people generally gravitate to roles in leisure, hospitality, and retail and the economic impact of the virus means that these sectors have been hit the hardest. Apprenticeships in engineering have also experienced displacement as businesses seek to save their businesses.

Youth unemployment is further compounded by businesses generally being less likely to be recruiting entry level roles. There is also downward pressure from people being made redundant seeking opportunities in job pools that they would not normally consider. The Resolution

¹ <https://www.centreforcities.org/blog/may-unemployment-count-economic-crisis/>

² <https://www.centreforcities.org/blog/what-does-the-covid-19-crisis-mean-for-the-economies-of-british-cities-and-large-towns/>

Foundation has completed work around this issue³ and is forecasting that youth unemployment in areas like Burnley could hit 35%. DWP have recently completed analysis and this indicates that the current rate is 23% across the town, however ward level analysis shows that Trinity, Gawthorpe, and Gannow are already over 30%. More concerning is that in Trinity and Gawthorpe unemployment in the 20 – 24 year grouping is over 40%.

Burnley has a range of offers for young people experiencing challenges with employment. Feedback from partners and young people tells us that this offer is difficult to penetrate, especially given the lack of careers support now available in schools. Our young people need help to navigate this offer and to establish what will work best for them. This is not something that they will achieve alone and without intervention it could lead to an entire generation being lost to unemployment. The mental health impact of this is also significant.

Health and wellbeing

Covid-19 has had a fundamental impact on the mental and physical health of people across Burnley.

Across a range of indicators health and wellbeing scores have significantly reduced. Patterns are consistent between men and women; across all age groupings and different ethnic groupings. This reflects the picture nationally where wellbeing scores are at the lowest they have been since records began. ⁴

People are suffering from psychological distress particularly women and those from ethnic minority groups and, of course, key workers. Stress and anxiety generally in our community are having significant impact on wellbeing. There is a need to establish a mental health support offer across the age ranges that enables our community to recover from the psychological damage of Covid-19. People have had a lot to occupy their minds;

- The long term economic impacts of Covid – will I have a job, will my children find work?
- Concerns about general financial position of families.
- The social impact of shielding – individuals that are now isolated and socially vulnerable.
- Concerns relating to law and order
- Fearful of physical and mental health
- Worrying about friends and extended families.

Improving resident's life satisfaction and day to day happiness is essential work in avoiding a mental health crisis in the town and a key way to achieve this is physical activity. The link between being active and positive mental health are well established. During the pandemic we have seen an increase in people wanting to get active and improve their physical health. This is something that we need to encourage people to continue to do. There is a clear opportunity through the work Burnley Leisure are doing, but also through the involvement of organisations like Lancashire Adult Learning.

An area of reflection from the emergency response phase relates to the work that we have done around the shielded and socially vulnerable groups. Whilst many of these individuals live happy and

³ <https://www.resolutionfoundation.org/publications/young-workers-in-the-coronavirus-crisis/>

⁴ <https://www.jacobs.com/sites/default/files/2020-05/jacobs-wellbeing-costs-of-covid-19-uk.pdf>

fulfilled lives, there is a reasonably sized group of people that don't because of a lack of access to health and social services for a range of reasons.

From the support we have offered we know that a significant number have needs that have escalated over the three month period. These groups will need help and support to engage the service they require to prevent them becoming at risk. The key challenge for Burnley here emanates from the elderly population. Older adults are more likely to have had negative outcomes from the virus.⁵ Alongside the removal of access to health and social care services this group have also had access to family and friends restricted.

The mental health impacts from social isolation are clear. The experience as lock down eases is that many of our older people are frightened to emerge from shielding and will need help to regain their independence. There is a connection here with social prescribing activities (coordinated by CVS) and creating safe spaces where people can emerge and the environment can be seen to be managed for them. This will allow our residents to begin to build their confidence.

Less obvious is that family and friends often provide the safety net helping older people with personal care, cooking, cleaning and administration of bills. This has often been the thing that kept older people from requiring health or social care interventions and helped them maintain their independence. Without this support it is likely that a manageable condition will in many cases have escalated to an unmanageable point. In short, many more of our older population are going to require support from health and social care and their 'ask' is likely to be more significant than pre-Covid-19.

Community and inclusion

The emergence of Covid-19 has reminded us all of the importance of the community and voluntary sector and the work they do to keep our communities safe. Activities are delivered in our neighbourhoods by passionate and driven organisations surrounded by an army of volunteers that give their time to help others. Without doubt our ability to achieve the success we have in the emergency phase would not have been possible without the dedication of the sector.

Our community emerges stronger as a result of Covid-19. The pandemic has fostered discussion and relationships that have solved the numerous challenges put in front of the town. A particular area of focus has been the progression of relationships within our BAME communities. Organisations and individuals from within these communities have supported the effort creating opportunities for new conversations. The community and voluntary sector has been on the frontline helping our town to stay strong and in doing so nurturing inclusive and supportive communities.

Whilst this is very positive a number of challenges remain.

Food poverty in our communities is far higher than it should be. Our work in the emergency phase has provided intelligence regarding the extent to which food poverty is an issue. Working with the Community Kitchen, Ghausia Mosque and Gannow Foodbank we have delivered over 5,000 food parcels (circa 315 tonnes of supplies) to families in three months. Only a small percentage of these

⁵ <https://hub.jhu.edu/2020/05/05/impact-of-covid-19-on-the-elderly/>

requests related to Covid-19. All of the families we have supported are in need, with most of the families using the opportunity of Covid to seek help.

Alongside this we have seen the emergence of community kitchens operating in our neighbourhoods providing a meals on wheel type service to those who cannot afford a private operator. We understand that at present we are delivering circa 1,000 meals each week in the main to older people.

The role of these partners over the next 12 – 18 months will be essential in our communities and the potential for the BFCitC Community Kitchen to become a central coordinating strength is a real opportunity. We will need to work together as a partnership to make good on this opportunity supporting each other to build resilience to food poverty across our communities.

Often families asking for food require other support as well, the correlation between food poverty and child poverty is high. A big element of our work during the emergency period has been helping families to get themselves set up. We have found that families often cannot afford the basic furniture in their homes. Paradoxically we have also been surprised by the volumes of people calling the contact centred to donate good quality items that may have previously been taken to landfill via the bulky collection service. We do not anticipate that as first wave recedes the demand for food or furniture services will dissipate.

Another positive has been the rise of volunteering during the pandemic with one in five UK adults having offered their services free of charge. The challenge moving forward is to try to retain some of this volunteer army as they go back to work. This is important for two reasons;

1. The community and voluntary sector requires these people to continue to do the good work that they have started.
2. The individual and community wellbeing impacts of volunteering are significant. Simply people feel happier when they are helping others.

Providing support for volunteering will be essential in maintaining the momentum built during Covid.

A final area of focus in the work around community inclusion and co-production. In the emergency phase we have responded to the emerging needs of the town, driven by what our customers have asked us to do. The result is a truly personalised offer that has delivered trust between the service and our communities. Our service today is *'customer informed'*, but it would be much more powerful and sustainable if it was *'customers owned and driven'*

Burnley Together has also provided the opportunity for communities to come together and work on joint projects for the benefit of all of the town. The work between Ghausia Mosque and Stoops and Hargher Clough community centre has personified this.

We need to continue to operate in this way, but as we move to 'new normal' there needs to be a mechanism in place that allow for purposeful community engagement and co-production. We need to ensure that the future objectives of Burnley Together are driven from our communities responding to their needs through direct consultation and market research.

OUR ASPIRATION FOR THE NEXT PHASE

Our vision is for *a partnership with local services, listening to what matters to people in Burnley and Padiham. Ensuring access to the help needed and empowering our residents to be independent, living safe, fulfilling and happy lives.*

To achieve this we have agreed the following set of objectives;

- **Connecting people** to the services they need across health, economy, and social programmes at the point they need help.
- Ensuring our **approach is personalised** taking notice of what matters to the individual, working hard to really understand their needs and achieve the outcomes which will make a difference for them.
- Working through the challenges with our service users beyond the initial contact creating a **culture of independence** through empowerment and targeted support.
- Making **best use of partnership** resources including the statutory, voluntary, faith and business sector for the benefit of our community.
- Continually review the service offer through **co-production**; monitoring provision, identifying service gaps, and working up solutions with our partners and service users to fill the gaps effectively and efficiently.

HOW WE PROPOSE TO DELIVER

Our proposal is for a place based approach focuses on integration across our town's footprint joining up services behind the scenes to make things easier for residents to access, and making sure they get the right help promoting independence. Our approach will ensure that the town is able to make best use of scarce resources provided, and that local people have an opportunity to influence local priorities and key decisions.

We intend to mobilise community assets to provide access points where people can walk in and seek help in a socially distanced way. Through partners we would like to encourage more community venues to offer a 'Burnley Together' service and Calico will commit to providing the necessary training to commence this activity. As a minimum we would like to see community venues in Southwest Burnley, Daneshouse/Stoneyholme, Burnley Wood and Padiham.

We anticipate two levels of support needed by people seeking help from Burnley Together. There will be the individuals that have a single immediate need. This will include people needing help finding work, people needing food parcels, and people seeking social activity. It is highly likely that the contact agent can receive this request and action it through our partnership without the need for further intervention.

There will also be those individuals that need more. These are individuals that have multiple needs which are often complex. They require a short term support plan that is designed to move them from crisis to independence. For this group we will need to consider resources to provide short term support and assist with moving forward.

As we move forward the model aligns services into three clear areas of work.

- **Skills and jobs:** our ambition is to work with people leaving education, or individuals facing redundancy situations to help them secure employment that improves their circumstances.
- **Health:** our ambition is to help people live healthier lives where they have more choice and control.
- **Community wellbeing and inclusion:** Our ambition is to help people get the help they need to get back on their feet. This will help our communities to overcome challenges and be stronger together.

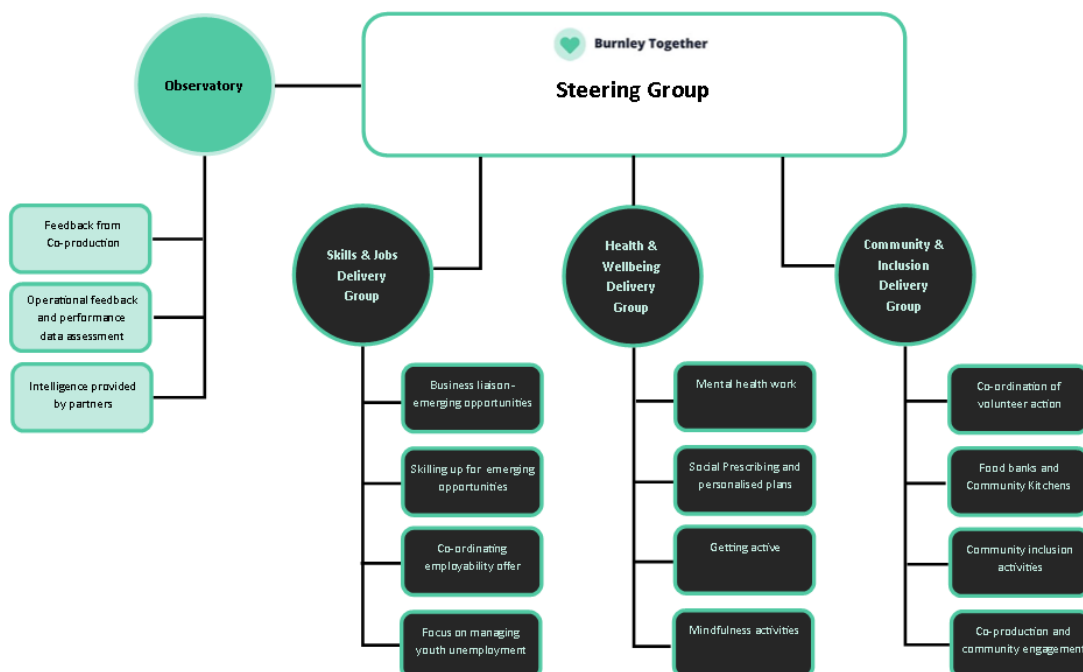
Our offer will be personalised for each individual that we help, and at the very heart of the offer will be the absolute commitment to support people back to independence – all help we offer is temporary and designed to get people back on their feet.

Partnerships

Critical to achieving success is to build a partnership model that has focus and is able to utilise the resources and assets of its members. Burnley Together, as a concept, should be owned by its members and driven by the needs of the community.

The diagram below denotes a structure that the partnership can work too. Partners should not forget that what has often made Burnley Together work has been its ability to get stuff done. The balance between strategic discussion and positive action will need to be kept in check. The Delivery Group identified should ensure that as a partnership we achieve our set objectives. They should be used to plan our work, ensure it is done, and to review the impact before moving to the next package of work.

Our proposed model is;



The partnership should have a steering group that is strategic and draws representation from key stakeholders. This could include members from the community, Calico, Burnley Council, BPR CVS, Burnley Leisure, BFCitC, Burnley Bondholders, Health (PCN?), and Dept. for Work and Pensions. The group's objective should be to oversee the work of Burnley Together receiving reports and information that pertain to the agreed areas of focus. This should include data relating to service delivery performance and outcomes being achieved by the partnership.

Sitting below the steering group should be a range of delivery groups and an observatory.

The observatory group will be a horizon scanning group that will spend focused time considering emerging issues and provide guidance to the steering as to whether or not the focus should develop or change. This group will receive information in the form of reports and feedback from communities to help them shape their thinking.

Delivery groups will be focused on specific areas of work. They will receive information to understand the challenge, the response required, and will take ownership of organising the tasks (and responsible partners) to ensure challenges are overcome and outcomes are delivered. Initially we propose three delivery groups linked into the current areas of concern outlined above, these are;

- Skills and employment
- Health and wellbeing
- Community and inclusion

An area that is outstanding in this report relates to how Burnley Together will integrate within existing partnership structures across the town. As we move forward we will need to consider how we link to existing arrangements, and it may be the case that the delivery group work outlined above can be subsumed into those partnerships.

Outcomes

At this stage we have defined some headline outcomes that Burnley Together should seek to achieve in the future. These outcomes should be discussed further and confirmed with the steering group and should be complemented with some outputs that will demonstrate success.

Skills and jobs:

- Business will engage with the delivery group and Burnley Together will become a way for them to recruit high calibre staff.
- We will have an effective and co-ordinated employability offer that is accessible for all Burnley Together customers.
- Training providers will shape elements of their offer to support current and emerging employment opportunities.
- We will have a focused approach to minimising youth unemployment.

Health and wellbeing:

- We will have a community offer that provides a plan for people with short term support needs linking them to the existing social prescribing offer via CVS.
- We will have an effective and coordinated mental health offer that utilises existing statutory services and compliments with other service offers where appropriate.

- An approach to active communities that encourages and support people to take exercise and feel well.
- A co-ordinated effort to relaxation and mindfulness leading to improved levels of community happiness.

Community and inclusion:

- A consistent offer for volunteers that allows them to play their part and contribute to the overall success of the community and voluntary offer.
- Delivery of a high quality food bank and community kitchen network that helps people when they need help and promotes independence through food education.
- Promotion of communities from across our town coming together to deliver projects and celebrate our diversity.
- Involvement of our communities through co-production to develop Burnley Together's future direction and establish strategy.

THE ASK...

The principle of Burnley Together should be that it makes best use of the existing resources that are available (and funded) within partner organisations. The proposal is a model of collaborative working that provides focus and direction of individual effort to increase the combined outcome.

We anticipate that partners will want to engage and will want to coordinate activity under the partnership banner. This will give us our early momentum and will enable us to map specialisms understanding the gaps we need to fill, or where service delivery is vulnerable. Burnley Together, as a partnership, may then be able to lead applications for funding to fill gaps or to seek sustainable funding where we have identified vulnerabilities. This will help make sure scarce resources are targeted at identified community needs.

We would expect partner organisations to commit resources. The partnership structure will require facilitation and action to avoid it becoming a talking shop. The service offers will emerge from the work done in the delivery groups. Partners will identify the offer's they can make and the delivery groups will considered it for fit, and duplication of effort.

Partners should consider this a two way interaction – Burnley Together can help them improve their organisation's outcomes and they should expect to contribute to the furtherance of Burnley Together's objectives.

With an extensive service offer emerging from the delivery group's the other key operational activity will be to consider how we can best link, and market, this to the individuals in our communities that require help.

What Calico will offer

Calico will also provide the overall project management including a designated Project Coordinator role will take overall responsibility for the day to day operation of the project. The post holder will monitor and report on the agreed outcomes and outputs reporting information back to the delivery groups and steering group.

This role will sit within our wider community engagement team and will have access to our Group services.

Our proposal is that the mechanics of the operation are delivered by Calico using our infrastructure, and systems. We think we should continue to receive requests for help through a central contact management system. We will look to integrate the contact element of our work into the mainstream Calico contact centre. It is likely that we will need to increase resources in the call centre to facilitate this. Calico will also provide the CRM and telephony systems required to manage the contact.

Calico will also contribute as a member of the steering group and will work within the Delivery Groups as required.

What is needed from partner organisations?

In order to make Burnley Together work we are looking for a commitment from partner organisation to support the operating framework and resources that will help us get things done. Resources are likely to be required for the next 12 months, and where a commitment is made it will need to be for the duration. We have identified the following list as things that Burnley Together will need from the partnership;

- A commitment to the vision and objectives of Burnley Together as described in this document.
- A commitment to the established cultural ways of working and supporting staff to attend training where necessary to understand how services can be delivered.
- Senior representation on the Burnley Together Steering Group with an understanding that 'corporate hats' are left at the door.
- Where relevant, participation in the three Delivery Groups. Representatives must have the skills, knowledge, experience and authority to participate effectively taking decisions and making things happen.
- Commitment, in a GDPR compliant way, to share information and customer data both with other partners for direct delivery, and aggregated data for the observatory work.
- Provision of resources to undertake activities in our communities including welfare checks, deliveries (food, medication etc), and other general logistical work.
- Secondment of resources for the contact centre enabling a professional, well trained, and empathetic first contact.
- A commitment to work collaboratively to bring additional resources into the town that support Burnley Together's objectives delivering impact in our communities.

Customer testimonials – how we make a difference

The service we have delivered as a partnership has made a big difference to Burnley and Padiham over the last three months. 98.4% of our customers would recommend us to a family member or friend because of the work we do, and the way in which we have gone about it. We are focused on the challenge and personalised in our response meaning that we are able to make the most difference to people's lives.

Over the next few pages we have shared some of the feedback we have received, and case studies of how we have helped. These stories have helped us to think about what we have achieved already, and what we would like to do in the future.

Customer quotes:

"I got the support and help I needed. You saved my life actually. That food parcel meant the world to me and son. I was amazed and so grateful for it. I can't thank you all enough. You do a top job with people who are struggling. Came to the rescue. Honesty brilliant and you super stars, all of you."

"Things vastly improved. CVS gone above and beyond. Made a difference to our lives."

"I am a self-employed market trader and have not worked during lock down, I didn't know how I was going to manage and I wouldn't have managed if it wasn't for your service"

"I was really desperate with no food at all, and as I had just come out of hospital and I couldn't walk due to my hips. I don't know what I would have done without you, I have no family to help so I was really stuck."

"I can't thank you enough, some days I didn't eat for 3-4 days at a time because I had no money left for food. If it wasn't for you guys I would not have survived so thank you so much. I have referred quite a number of friends to BT who I knew were needing support. You are brilliant, I can't say enough about how you helped me."

Customer A – Single mum

The contact centre received an email from a single mum with five children asking for a food parcel. From the contact it was clear that the lady did not ask for help very often. Contact was made by one of our staff to complete the necessary referral form and to check on other areas of vulnerability. This was in line with our process.



Initially the lady was not keen to talk but we were able to get here into a conversation through persistent, but gentle emails. We identified early that the customer had anxiety issues that would prevent her from communication via telephone. Through electronic communication we were able to identify that two of the five children did not have a bed; Mum was sleeping on the settee; her phone was broken preventing her from getting help; and the food poverty was an ongoing issue. The circumstances for the family were very challenging.

We used the delivery of food parcels to instigate a system of wellbeing checks to ensure mum and the children were safe and well whilst observing principles of social distance and PPE requirements. In the first three visit we didn't see mum – her teenage daughter received the food parcels and take them in. We built trust and managed to get mum to the front door to start to talk to us.

Building up week by week through visits and electronic check in's it became apparent that there were more issues than had been shared. Mum is a very proud person and did not want to ask for the things that she needed.

Our approach was to offer her things that had been donated and to let her think she was doing us a favour by taking the items. We started by providing a washing machine so that laundry could be done - we also provided new clothes for mum and the five children; we were then able to offer beds and bedding for mum and the two children to make sure everyone could get a good sleep. We also provided other essential items of furniture that were missing from the property donated by another Burnley family including a desk for the teenage daughter so she could do her homework. We also got mum a new mobile phone. Through conversation we identified that the children were not receiving their school work. We were able to liaise with the children's schools to make sure they had the school work printed out, and we provided stationary, crafting items and toys for the younger children to play.

Through our multi-agency delivery of Burnley Together, we were also able to intervene and prevent the family from going through the eviction process. A member of the council team had delivered a food parcel to the address and was aware that Burnley Together were supporting the family. She had seen that an eviction letter had been sent to the family due to the rubbish in the back yard of the property. The member of staff was able to offer support from her team at the council and arranged for the rubbish to be removed.

Mum is now communicating with the Burnley Together team. She has shared that she has never had anyone in her life that cared for her, and that the things we've done have changed her life. She fed back that our kindness has made the difference. Mum does not need food parcels now and is getting back on an even keel – we will still keep in touch, but this is just monitoring. Once services start to re-open we will look to get her some support with her mental wellbeing and the wellbeing service to help her with the children.

Customer quotes:

"You took away all my worry around how I was going to get my shopping, both myself and my wife were shielding and my daughters live in Warrington and London so were unable to help. I have recommended BT to lots of people."

"You have been wonderful this is a fabulous service. I am normally a very active person. I am a self-employed but I am on blood thinners and I was told by my GP surgery not to go out as I as this could literally mean a death sentence to me if I contract the virus because I have to take blood thinners every day."

"Your service was brilliant thank you so much and my two girls say thank you too. I went from being fully employed as a hairdresser to no income while I was waiting for universal credit and your service saved my family over the two weeks when there was nothing in the shops and I had no money. Definitely a star job!!!"

"When I first moved to the area it was the first time I had lived in my own place. I really thought that I was going to fail and go back to the bad place I was at. Thanks to the support I have been getting I am managing and it is getting easier"

Customer B – Socially vulnerable elderly lady

A lady contacted Burnley Together for support with a food parcel for her 89 year old neighbour. Her son had stopped access to her money and she wasn't able to buy any food. A food parcel was organised for the following day. "I referred my neighbour yesterday and she received a huge food parcel today. The delivery lady was lovely (I could hear the conversation) Thanks to all at Burnley Together, you made an 89 year old lady really happy"



We contacted the lady, the following week, as she was on her GP surgery vulnerable/shielding list. This was to see if she required any further support. She asked for help with food and also someone to talk to as she was feeling isolated and lonely. A referral was made to CVS for befriending support and another food parcel was delivered.

The following weekend, we received a call from one of the lady's friends, who was also elderly. He has been friends with the lady for around 14 years and felt that after speaking to her on the phone today, that something "wasn't quite right" and was concerned about her health. We arranged for a welfare check to be carried out by a member of the Burnley Together team, taking a food parcel as a way of contact.

During the welfare visit, it was clear that the lady was unwell and was not managing to live independently. A call was made to adult social care to share the concerns and to ask for an urgent assessment to be completed and for a package of care to be put in place, an ambulance was also called. The member of staff stayed with the lady until the ambulance arrived, to ensure that she was ok. The lady was not taken to hospital, as it was felt that the risk to her health would be detrimental due to COVID 19. She was made comfortable at home and given treatment.

The following day, a social care assessment was carried out and a care package was put in place. This included carers visiting the property throughout the day to check that the lady was safe, was eating and was able to manage her personal care.

Weekly calls were made from Burnley Together to check that the lady was ok and to see if she needed support with food. During some calls the phone was engaged for a long period of time and the staff member was concerned about the lady, we called her neighbour to check that everything was ok and asked if she would be able to call in and check on the lady. She did this and the handset had been knocked off, she replaced it. The neighbour gave feedback that "Burnley Together is a fantastic service and not only helps people, but also completes follow ups to check that they are ok"

After a number of weeks of no contact, we called her neighbour to see if the lady was ok and she informed us that she had been in hospital and was going to be discharged into a care home as it was felt that she was no longer able to manage in her own home.

Customer quotes:

"The staff have been over helpful kind. I appreciate what you have done for me and my son during this time. I can't thank you enough. The service has been excellent. Thank you I am so very grateful."

"I could eat. Saved my life literally. Before Christmas I had no food and no help after an accident that left me in financial difficulty. I tried taking my own life. I thought I was going down the same road again with COVID 19 but you reached out and helped me and my son. You really, really helped me. Something small like a food parcel can save your life and knowing someone cares. Thank you."

"It was great to have your help and it was amazing to see a smile at my front door. Delivered much more than expected. Felt an emotional boost from your service for days after our delivery. I went indoors after the delivery and shed a happy tear. The member of staff boosted my confidence in knowing that you are there for us. I am so grateful! The children felt like they received a gift from someone who really cared about them. Humbled by the care we received. Please personally, on my behalf, thank the member of staff that came."

"I have recommended lots of people who are struggling and they have all said how much they appreciated the help. You really don't know how grateful I am, I was so desperate when I first contacted you and you were so helpful, I don't know what I would have done without you."

Customer C – A lady suffering from domestic abuse

A Social Worker from Children's Social Care requested an urgent food parcel for a young lady and her 3 children. The lady had a disability and she was fleeing from a Domestic Abusive relationship. Burnley Together were able to arrange for the food parcel to be delivered on the same day. The Social Worker also asked if we were able to support with furniture.



She had managed to find a new property for the family and some furniture, but until they had some beds, the family were not able to move into the property. We spoke to the lady to find out if there were other items that were needed and were able to offer a double bed and mattress and a single mattress, both of which had been donated.

We delivered the items 2 days later, along with toys, curtains, lamps and other household items, which meant that the family could move into the property. The lady also donated a cot to Burnley Together, which will help another family in need.

The Social Worker was really grateful and commented that she thought that the Burnley Together service was amazing and has really helped to support families in need during this crisis when most other services have stopped. She stated that we go above and beyond to respond to people's needs and are always really helpful and friendly. The lady and her family are now settled in their new home and know that they can contact Burnley Together if they require any further support.

Customer quotes:

"I have already given your number out to some of my friends who needed help. You have been brilliant, just knowing I had someone to ring who was going to help me. I didn't think having the kids at home would have affected me how it has but not being able to work and having them at home, I just felt like I had hit a brick wall. It was so good to have you to call."

"Fantastic service a real help and a lifesaver I don't know what I would have done without it. Would give you 12 out of 10 if I could!"

*"You were the first help I got when all this happened I rang the council in tears and in a panic and not knowing where to turn and they gave me your number. **There should be more services like yours.** Thanks so much."*

Economic Recovery and Growth Strategy

REPORT TO EXECUTIVE



DATE	22/09/2020
PORTFOLIO	Economy and Growth
REPORT AUTHOR	Kate Ingram
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PURPOSE

1. The purpose of this report is for the Executive to consider and approve the Economic Recovery and Growth Strategy set out in Appendix 1 and related budgets.

RECOMMENDATION

2. It is recommended that the Executive:
 - i) Recommends to Full Council that the approve, subject to further consultation with key stakeholders, the Economic Recovery and Growth Strategy set out in Appendix 1 of this report.
 - ii) Approves the establishment of an Economic Recovery Board as set out in the Strategy and paragraphs 15 – 19 of this report
 - iii) Recommends to Full Council the approval of a £350,000 increase to the Business Growth Fund to be funded through Business Rates Pool and delegates authority to the Strategic Head of Economy and Growth to agree with the Leader, the Executive Member for Resources and the Executive Member for Economy and Growth a detailed plan for the use of the fund.
 - iv) Approves the establishment of a full time Employment Partnership post to support the Employment and Skills Hub to be funded from the budget established in recommendation iii)
 - v) Approves the use of £25,000 from the Climate Change Initiatives Budget to support a Green Business Demonstrator Project with the detail to be approved by the Climate Change Working Group.
 - vi) That the Strategic Head of Economy and Growth be authorised by the Executive to make any minor changes, either typographical or as a result of stakeholder feedback prior to its publication.

REASONS FOR RECOMMENDATION

3. Burnley Borough Council has successfully pursued an ambitious economic growth strategy over the last decade, resulting in significant employment growth and investment. However, the recent COVID 19 pandemic is posing a serious threat to the economy locally and globally

4. The Council and its partners need to respond to the immediate crisis whilst continuing to address some existing structural weaknesses in the economy and put in place the building blocks for more diverse, inclusive and resilient economic growth in the future.
5. A strategic approach will enable the Council and its partners to present a clear economic vision for the borough to Government and Sub regional partnerships bodies such as the LEP. The strategy will be the building block for lobbying for resources and delivering the Government's "levelling up" agenda
6. The establishment of the Economic Recovery Budget will enable the Council to work with partners to support businesses
7. The Employment Partnership post will be key to the work of the Employment and Skills Partnership and in co-ordinating the work of the Youth Employment and Skills Hub ensuring the residents, particularly young people are supported to gain new skills and employment.
8. A Green Business Pilot/Demonstrator will assist businesses to adopt new green technologies and to diversify into low carbon supply chains.

SUMMARY OF KEY POINTS

Background and Overview

9. The COVID-19 pandemic has been unprecedented and has affected everyone across the globe. Whilst the immediate pandemic is a public health crisis, it has disrupted all aspects of our lives with people and businesses affected economically, socially, culturally and emotionally. COVID-19 is still present and unpredictable, with localised lockdowns already having been implemented within Burnley, and the possibility of a successful vaccine being some time away.
10. It is therefore vital that we respond effectively and efficiently, providing the borough's businesses and people with the support and interventions necessary to enable them to continue to operate in an ongoing pandemic whilst also responding to, and recovering from, a global recession.
11. Whilst COVID-19 has disrupted economies and markets, it should be noted that pre-COVID Burnley's economy was in a good position having benefitted from a decade of employment growth and investment. For many years now, economic forecasts have shown that places such as Burnley, who are over-dependent on manufacturing, would continue to suffer job losses as the sector retracts. This has not been the case and whilst there is a danger that the current recession could accelerate this trend, there could be many opportunities for local companies with the re-shoring of supply chains as businesses seek to minimise risks caused by a reliance on global supply chains and with opportunities to diversify into new and growing sectors.
12. However, despite this level of economic performance it is acknowledged that the economic performance gap between Burnley/Pennine Lancashire and the national average has continued to increase over the last decade and 'levelling-up' is more

important than ever. Never has there been a greater need to invest in the skills of our people and in supporting businesses to innovate.

The Strategy

13. The Economic Recovery Plan sets out key priorities for the next five to ten years through four, non-linear phases to deliver a new Vision in which:

Our economy will recover, renew, and reset; it will be a place where innovative and productive businesses thrive based on inherent strengths in precision engineering and manufacturing and new and emerging sectors, people are up-skilled and have access to more and better jobs, and our town centres and places are underpinned by a stronger, more competitive local economy with high quality investment in our key assets and improved infrastructure and connectivity.

14. The strategy is based around four phases to Reset and the new normal. It is important to acknowledge that the phases will not be linear and will inevitably overlap. Indeed, it is likely to be necessary to step back or lengthen phases, for instance, in response to any subsequent spikes in the pandemic. It might be that some parts of the economy will progress much more quickly through the transition to recovery than others.

- Respond (0 to 6 months): managing the public health crisis, subsequent lockdown and gradual reopening of the economy (completed).
- Recover (6 to 12 months): creating the conditions to support businesses and residents to return to normality and to take steps to recover from the impacts of the pandemic-induced economic downturn.
- Renew (1 to 3 years): ensuring that businesses, people and places have the skills, know-how and infrastructure to respond to new trends and opportunities offered through a low-carbon economy, digitisation, automation, and an ageing society.
- Reset (3 to 5 years plus): delivering the new “normal” transitioning towards a more inclusive, innovative, higher-value, and greener economy, building on the borough’s existing sector strengths and assets to transform the local economy

15. For each phase the strategy is based around 3 themes – Our businesses, Our People and Our Place.

16. The strategy identifies for each theme a number of Strategic Interventions and “Asks”. These are strategic projects for which we will be seeking support from the Government and other partners. For each phase is a more detailed action plan including more tactical interventions that can be delivered within existing resources. The early phases are more tactical in nature focussing on immediate issues but progress to delivering more ambitious strategic interventions focussing on transformational changes in the renew and re-set phases.

Economic Recovery Board

17. It is proposed to establish an Economic Recovery Board for Burnley. The Board’s key aim will be to co-ordinate and maximise the effectiveness of the Council and its strategic partners, working collaboratively to achieve economic recovery.

18. The Board will bring together key partners from the public and private sectors to respond cohesively to the immediate challenges presented by the COVID-19 pandemic, as well as ensuring the focus is on the medium to long term recovery and growth of the borough’s economy through the delivery of an agreed Vision.

19. Proposed Membership of the Economic Recovery Board will include: Burnley Borough Council, Burnley College, UCLAN, East Lancashire Chamber of Commerce and Industry (ELCCI), the Department for Work and Pensions (DWP), Burnley Football Club (BFC), Lancashire County Council, the Chair of Burnley Bondholders, Burnley Business Improvement District (BID), five private sector members and the MP for Burnley.
20. The Board will be a voice between the public and private sectors, providing impetus to Burnley's economic recovery, and lobbying Government and other national bodies/agencies to ensure that the necessary resources and tools to support the delivery of a 'levelling-up' agenda are secured and 'touch down' locally in the borough.
21. It will also ensure that Burnley's economic growth priorities are communicated in a strong, co-ordinated and consistent way when engaging with the Lancashire Enterprise Ltd (LEP) and a potential Combined Authority.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

22. The strategy seeks to make the best use of the resources already available to the Council and its partners. Some of the more ambitious interventions will require significant external funding from Government and other bodies.
23. In 2013 the Executive established a £1m Business Growth Fund. The fund has been used to support a range of activity to support businesses to grow including business mentoring, start up support, business events and grants to support businesses making investments to create jobs. There is just over £200,000 of the fund remaining of which £140,000 is committed. It is proposed to boost the fund with £350,000 of funding from the Business Rates Pool.
24. The cost of the Employment Partnership post, including on-costs, is £41,000 pa. The post would be fixed term for two years and funded from the proposed Business Growth Fund.

POLICY IMPLICATIONS

25. This document will be a key strategic document of the Council setting out how it will respond to the immediate impact of the pandemic and ensuring recession and setting an ambitious vision and actions for a new normal.

DETAILS OF CONSULTATION

26. None

BACKGROUND PAPERS

27. None

FURTHER INFORMATION

PLEASE CONTACT:

**Kate Ingram, Strategic Head of
Economy and Growth**

ALSO:

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**DRAFT: Burnley's New Economy -
A Strategy for Recovery and Growth
September 2020**

DRAFT

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1. Introduction
2. Driving Change – Our Economic Recovery and Growth Board
3. Our Vision and Strategic Interventions
4. What Have We Done So Far?
5. Resetting our Economy
6. Measuring our Success

DRAFT

1. Introduction

Purpose

The COVID-19 pandemic has been unprecedented and has affected everyone across the globe. Whilst the pandemic is a public health crisis, it has disrupted all aspects of our lives with people and businesses affected economically, socially, culturally and emotionally. COVID-19 itself remains unpredictable, and the possibility of a successful vaccine being developed is likely to be some time away.

Nationally, we have seen Government interventions of a scale which is unprecedented. Social distancing will be the new normal for some time, as will the threat of further targeted measures, creating a difficult and challenging environment for our people and businesses to operate in.

Prior to the COVID-19 pandemic, Burnley had benefitted from a decade of employment growth and investment. For many years now, economic forecasts have shown that places such as Burnley, who are over-dependent on manufacturing, would continue to suffer job losses as the sector retracts and whilst this has not necessarily been the case in Burnley, there is a danger that the impact of COVID-19, the formal withdrawal of the UK from the EU at the end of December 2020 following the end of the transition period, and the subsequent economic downturn will most certainly accelerate this trend and expose any underlying weaknesses in the economy.

It is therefore vital that we respond effectively and efficiently, providing businesses, people, and places with the support and interventions necessary to enable them to continue to operate in an ongoing pandemic, and respond to the immediate impacts of a global recession, whilst still continuing to address underlying issues and opportunities for future economic growth.

Challenges and Opportunities

The impacts of the pandemic on the borough were immediate, with a significant number of redundancies announced during Quarter 2 of 2020, notably in the aerospace, automotive and manufacturing sectors. The Government's intervention with a generous furlough scheme, operational until October 2020, has enabled many businesses to delay the inevitable. Early predictions were for a sharp V-shaped recession, with the economy bouncing back quickly in 2021, however it is now more likely that the recession will be longer and deeper.

The global crisis will bring into sharp focus existing weaknesses in local economies, with some places, people and sectors much better equipped to bounce back than others. It is likely that the domestic aerospace market will take between 3 and 5 years to recover.

Burnley is a key location and driver of growth in the Pennine Lancashire footprint; an area which is coherent and polycentric, yet which has a mixture of shared and individual place-based challenges and opportunities. Whilst clear economic assets and distinct advantages exist within the boroughs that make up Pennine Lancashire, the area has long experienced a productivity gap when compared to the rest of the UK and despite improved economic performance over the years, the gap continues to widen.

Over the medium to longer term, the goal for places such as Burnley will be focussed on raising productivity (GVA per worker), increasing the number of people with higher level skills, raising wage levels, diversifying the businesses base and mix of employment available to residents, and increasing business investment in innovation, research and development.

To achieve this will require an increased concentration of knowledge-based business in a broader range of sectors including, low carbon, Medi-Tech, creative, digital, design and high technology; all underpinned by the borough's inherent strengths and assets in the precision engineering and manufacturing.

Local companies are well-placed to adapt to low carbon and clean energy opportunities. Investment in green technologies presents opportunities for growth in the aerospace and automotive sectors, whilst the trend for digitisation and automation in engineering and manufacturing also presents opportunities for higher value activity and skilled roles. However, to achieve this there will need to be an increase in capability and capacity in the borough's economic infrastructure, with a focus on skills, innovation, productivity, and investment.

Skills remains a key weakness of the local economy with a disproportionate number of people with 'no qualifications' and too few people with higher level skills, including Level 4. Those with low level qualifications will be most at risk from immediate job losses, and it will be necessary to ensure targeted support to upskill people to take advantage of new and emerging opportunities in existing sectors, as businesses look to implement automation and digitisation processes to become more productive. As well as the impact of low skills on opportunities for individuals, the low skills base will also be a drag on levels of productivity and innovation.

The impact of school closures during the pandemic is yet to be known, but given educational attainment levels locally were already significant below national averages this could present a real issue in future years if not urgently addressed, with the issue of NEETs further compounding this situation.

However, in looking at skills provision it is important to focus not only on local industrial needs, but to recognise also that today's society is highly mobile and it should not be inconceivable for Burnley residents to be accessing growth sector jobs in nearby cities such as Manchester or Leeds. COVID-19 will change working patterns in the short to medium term, and potentially longer, with more flexible working and more people working remotely at least for some of the time. Any skills initiatives must be developed to ensure that residents are able to seize these opportunities.

On a positive note, many Burnley businesses are already in multi-sector supply chains and whilst some sectors such as aerospace may have been disproportionately affected by COVID-19, sectors such as food manufacturing, low carbon, and construction remain healthy and resilient. The ability of companies to secure and increase investment for diversification into new market areas, and introduce automation and digitisation processes, will present opportunities for growth, making them less vulnerable as the recession plays out. Burnley has a strong tradition in precision engineering, and this will leave many businesses well-placed to move into new markets such as Medi-Tech, particularly as improved public health becomes a key priority.

With the end of the UK's transition period from the EU at the end of 2020 and, as yet, no clear agreement on trade negotiations it will be a challenging time for businesses and those sectors reliant on tariff-free trade and movement of goods within the Europe. However, as negotiations emerge with other countries and export and trade opportunities arise for the UK manufacturing sector alongside re-shoring of supply chains as businesses seek to minimise risks caused by a reliance on global supply chains, there will be opportunities for local companies. It is therefore imperative that companies are geared up with the necessary skills and investment to respond to such opportunities.

COVID-19 has changed the way people behave with walking, cycling, and shopping locally having become more popular during lockdown. Burnley is well-placed to capitalise on such changing behaviours and habits. The Town Centre already serves a population catchment of over 110,000 beyond the immediate borough. There is a high population density within a 15-minute walk or cycle ride from both Burnley and

Padiham Town Centres, and when coupled with the availability of green spaces and connectivity to larger towns and cities, the borough is in a good position to benefit from predicted post-COVID trends of the increasing desirability of suburbs and countryside, versus city centre locations.

The expansion of the UCLAN campus represents a major growth opportunity and will boost the economic prospects of the borough and wider Pennine Lancashire. Indeed, for many years it has been acknowledged that the lack of an anchor institution has hindered economic growth in the area, and therefore the establishment of a Higher Education Anchor Institution that can support both higher level skills development, business innovation, and technology transfer should be a key ask made collectively by local partners of Government.

Strategic Context

The pandemic has switched Government's focus away from its 'levelling-up' agenda for the time being. However, it is more critical than ever that places such as Burnley are able to secure national resources and investment which have a genuine impact on local economic growth, as those places least able to respond to the challenges facing our economy will be affected more in the longer term.

Prior to the COVID-19 pandemic, there were already various work streams underway at a County and Sub-County level which were looking at identifying key economic asks. In addition, the Council together with the East Lancashire Chamber of Commerce, has already presented to the MP a list of asks for the aerospace sector, with some of these equally applicable to the automotive sector, and other engineering and manufacturing businesses. The short-term asks are focused on diversification, maintaining business liquidity, and supporting skills.

These asks should not fundamentally change, though the scale and urgency of them is now magnified given the current crisis facing our economy. The Lancashire Enterprise Partnership (LEP) is updating its work and evidence base for a revised Economic Strategy to reflect the current COVID-19 situation, and Burnley must be able to clearly articulate its key asks in this context.

This Economic Recovery and Growth Strategy has been developed as a result of the COVID-19 pandemic. However, its role will be to consolidate a number of strategic interventions and priority actions. These will drive economic growth over the longer term, creating a more inclusive and resilient economy, underpinned by increased investment in business, people and places, resulting in a more diverse, innovative, and productive local economy.

It will also serve to co-ordinate the efforts and resources of local partners and stakeholders in the public, private, voluntary, and community sectors behind an agreed set of priorities, clearly and consistently articulated, to ensure national resources and initiatives 'touch-down' locally, resetting the economic prospects of Burnley over the next decade.

2. Driving Change – Our Economic Recovery and Growth Board

Purpose of the Board

We will establish an Economic Recovery and Growth Board for Burnley. The Board's key aim will be to co-ordinate and maximise the effectiveness of the Council and its strategic partners, working collaboratively to achieve economic recovery.

In doing so, this will help shape a renewed local economy with businesses able to adapt and diversify into alternative and multi-sector supply chains, and people able to up-skill into good quality sectors and jobs which contribute to increasing the borough's economic productivity, whilst responding to the low-carbon agenda. This will enable all to survive and thrive post-COVID.

The Board will bring together key partners from the public and private sectors to respond cohesively to the immediate challenges presented by the COVID-19 pandemic, as well as ensuring the focus is on the medium to long term recovery and growth of the borough's economy through the delivery of an agreed Vision.

The Board's focus will be to agree, coordinate and drive forward the Recovery, Renewal and Reset agenda through the implementation of Burnley's Economic Recovery and Growth Strategy; implementing the Vision to drive change and growth through the identification of a number of strategic interventions and priority actions. It will also remain the responsibility of the Board to ensure that the Respond phase has been implemented effectively and that any further short-term localised responses which may be needed to deal with COVID-19, are co-ordinated and delivered efficiently and effectively.

The Board will be a voice between the public and private sectors, providing impetus to Burnley's economic recovery and growth, and lobbying Government and other national bodies/agencies to ensure that the necessary resources and tools to support the delivery of a 'levelling-up' agenda are secured and 'touch down' locally in the borough.

It will also ensure that Burnley's economic recovery and growth priorities are communicated in a strong, co-ordinated and consistent way when engaging with the LEP and a potential Combined Authority.

Membership

Membership of the Economic Recovery and Growth Board will include: Burnley Borough Council, Burnley College, UCLAN, East Lancashire Chamber of Commerce (ELCC), the Department for Work and Pensions (DWP), Burnley Football Club (BFC), Lancashire County Council, the Chair of Burnley Bondholders, Burnley Business Improvement District (BID), five private sector members and the local MP.

Establishment of Taskforces to support Business, People, and Town Centres and Place Themes

Three Taskforces will be established, which will focus on three themes: *Business, People, and Town Centres and Places*. Each Taskforce will have an independent Chair and will report directly into the Economic Recovery and Growth Board.

Detailed Action Plans will be produced for the *Business, People, Town Centres and Places* themes. These Action Plans will include clear and measurable outcomes, acting as a lever for investment and also helping to monitor the progress of interventions delivered by the Economic Recovery and Growth Board, with each Taskforce responsible for delivering and reporting progress made against the strategic interventions and priority actions for which it is involved in delivering or has responsibility for.

The Board will have responsibility for ensuring that the work of the three Taskforces is co-ordinated in line with the agreed Vision and Economic Recovery and Growth Strategy, and that any strategic interventions and priority actions positively impact on the delivery of agreed outcomes across the *Business, People, and Town Centres and Places* themes.

Delivery, Resources and Engagement with Stakeholders

Members of the Economic Recovery and Growth Board will bring together a range of resources which, when combined and co-ordinated, will support business growth and innovation, productivity increases, up-skilling, and leverage public and private investment.

The initial focus of the partners will be to work together to review, re-focus, and re-purpose existing initiatives and programmes so that they can be more effectively delivered to support the Recovery phase of the Recovery and Growth Strategy. The Board will have a key role in ensuring that national, regional, and local resources and initiatives 'touch down' in Burnley.

Working with local and regional bodies and agencies, including near neighbours and the LEP, the Board will also have a role to play in shaping and influencing the provision of future funding initiatives such as the Shared Prosperity Fund. In addition, the formal withdrawal of the UK from the EU at the end of the transition period in December 2020 will also have an impact on setting future policy and resource priorities, particularly in those sectors where Burnley has a significant concentration and expertise, such as aerospace.

The Board will have responsibility for tracking the progress of cross-cutting strategic interventions.

Burnley Bondholders

The Burnley Bondholders was established 10 years ago and is recognised as one of the most successful business networks currently in existence.

The Bondholders brings together almost 200 businesses to promote the borough, working together to change the perception of existing and potential investors and visitors, and speaking with one voice as an effective lobbying group.

The role of the Bondholders at this time is as important as ever, bringing together the business community to support the borough's recovery and drive economic growth over the longer term. The Bondholders will also continue to play a key role in demonstrating the resilience, ingenuity, and innovation of Burnley's business community and lobbying to ensure that Burnley businesses receive the necessary support, investment, and infrastructure to grow, adapt, and diversify in order to Renew and Reset the economic future of Burnley.

The Bondholders will also take on a greater role in promoting the strength, resilience, diversity and success of Burnley businesses. They will also work together on business to business promotion, to identify supply chain and growth opportunities through increased engagement with businesses in other geographical locations and related supply chains, including identifying international and national projects, such as HS2, which present investment, growth, and diversification opportunities for Burnley businesses.

3. Our Vision and Strategic Interventions

Our Approach

Over the last decade, as a borough, we have pursued a bold, ambitious and successful growth agenda which has resulted in year on year jobs and economic growth, increased private sector investment levels, and a stabilising and growth of our population.

The COVID-19 pandemic is unprecedented, causing disruption on a scale which has led to a global economic recession. Together with the potential threats posed by the UK leaving the EU following the end of the transition period at the end of 2020, it is more important than ever that local economies respond to challenges which will exist for some time to come, mapping out their route to recovery.

Moving forward, we are focused on delivering increased levels of innovation and productivity, diversifying our local supply chains into new sectors which present clear growth opportunities for our existing and new businesses, more businesses operating in more diverse sectors including creative and digital, more and better jobs, up-skilling our residents, and accelerating the move to a greener economy. Alongside this, we will continue to invest in Place Making with high quality new homes, a vibrant mixed-use Canalside area anchored by a growing University, and ensuring that our Town Centre's are fit for the future. In doing so, we will build a strong, diverse, and resilient local economy with the recent COVID-19 pandemic having served to reinforce the importance of these goals.

We have identified four stages to recovery which are underpinned by a strong Vision for what we want our local economy to look like in the future. Transitioning through these stages and delivering a 'levelling-up' agenda will help us return to economic growth levels experienced by the borough over the last decade but, more importantly, will also address the economic performance gap that currently exists with other parts of the UK and which will continue to widen if left unchecked.

Our Vision

Our Economic Recovery and Growth Strategy sets out our priorities for the next five to ten years through four, non-linear phases to deliver an agreed Vision in which:

Our economy will recover, renew, and reset; it will be a place where innovative and productive businesses thrive based on inherent strengths in precision engineering, manufacturing, and new and emerging sectors; people are up-skilled and have access to more and better jobs, and our town centres and places are underpinned by a stronger, more competitive local economy with high quality investment in our key assets and improved infrastructure and connectivity.

Our Phases to Recovery

- **Respond** (0 to 6 months): managing the public health crisis, subsequent lockdown and gradual reopening of the economy (completed)
- **Recover** (6 to 12 months): creating the conditions to support businesses and residents to return to normality and to take steps to recover from the impacts of the pandemic-induced economic downturn.
- **Renew** (1 to 3 years): ensuring that businesses, people and places have the skills, know-how and infrastructure to respond to new trends and opportunities offered through a low-carbon economy, digitisation, automation, and an ageing society.

- **Reset (3 to 5 years plus):** delivering the new 'normal' transitioning towards a more inclusive, innovative, higher-value, and greener economy, building on the borough's existing sector strengths and assets to transform the local economy.

Throughout the process we will be aiming to achieve the following outcomes:

Our **BUSINESSES** will be:

- Resilient, sustainable, ready for growth and fit for the future;
- Prepared for Industry 4.0;
- More innovative, productive, and able to embrace and capitalise on increased levels of innovation, Research & Development, digitisation, and automation;
- More diverse and engaged in sectors including Creative, Digital, and Health;
- Agile and able to respond to new demands set by the aerospace and automotive industries for low carbon travel and electric vehicles; and
- Ready and capable to enter new manufacturing markets in low carbon and clean energy, Medi-Tech and advanced materials.

Our **PEOPLE** will be:

- Innovative and entrepreneurial;
- More highly skilled and will increasingly participate in Further and Higher Education enabling residents to access employment opportunities in good jobs both locally and in nearby labour markets;
- Able and ready to engage in economic activity; and
- Young people will fully participate in the workforce having been protected from the most severe impacts of the recession.

Our **TOWN CENTRES and PLACES** will be:

- Vibrant, inclusive, diverse and regenerated;
- Responsive to the needs of existing and new businesses by providing quality, fit-for-purpose sites and premises set within quality strategic investment locations in which **Burnley Town Centre** will be transformed by a Canalside area and growing University campus, and **Padiham Town Centre** will be a thriving historic town with a strong independent retail and service and business hub offer based at the renovated Padiham Town Hall;
- Linked by an enhanced green and blue infrastructure network, and resilient to climate change; and
- Well-connected both physically and digitally.

4. What Have We Done So Far?

COVID-19 Local Impact

From initial intelligence gathering, we have been able to identify key challenges faced by our businesses and residents which are summarised below.

Impact on Businesses

We know that there is a very large proportion of micro businesses, self-employed sole traders, new business starts and home-based businesses operating in the borough who have not been able to access any of the support which has been made available by Government. In addition, evidence provided by businesses to support their applications for the Local Authority Discretionary Grant scheme has proven the deep impact on turnover and income experienced by businesses, reflecting the findings of the national Chambers of Commerce survey.

We are aware that there was some early frustration reported by businesses regarding access to the Coronavirus Business Interruption Loan Scheme (CBILS). However, this seems to have been addressed by the subsequent announcement of the smaller, simplified Business Bounce Back Loan Scheme (BBSL). Whilst data is not available at a local level regarding take up of these loans, we are advised that many businesses have been reluctant to take on additional debt or have been holding back on applying but may consider doing so in the future.

Impact on People

By the 9th April, 10,000 residents were claiming Universal Credit representing a 21% increase on March. This number rose to 12,276 by mid-May and subsequently to 12,897 by mid-July 2020

Between March and April 2020, the Claimant Count in the borough jumped from 2,895 (5.1% of the working age population) to 4,055 (7.6% of the working age population). The numbers grew steadily during May and June reaching 12,897 in July 2020

Over the same period, Youth Unemployment (those aged 18-24) almost doubled from 595 (8.8% of the age cohort) to 1,025 (16% of the age cohort) by the end of July, confirming the prediction that young people would be worse affected as a result of the pandemic.

By the end of June, there were 13,100 employments on the Government's Furlough Scheme, representing one third of all employments; a number slightly higher than the national figure.

Based on information from the Council's own business contacts and information from DWP there were over 750 jobs "at risk" by the end of July Whilst some of these were Pre-COVID announcements, the data only picks up notices over 20 and therefore there are likely to be many more that we are unaware of. The worse affected sectors are aerospace, automotive, and manufacturing.

Impact on Town Centres and Places

Non-essential retail and services gradually re-opened between the 1st June and the 15th July, with the Office for National Statistics (ONS) reporting that nationally on the 17th July, overall footfall in town centres rose to 66% of its level on the same day last year. In Burnley Town Centre on the 17th July, overall footfall was 71% of the same day last year.

The Centre for Cities High Streets Recovery Tracker identifies how quickly high streets in the UK's largest towns and cities are returning to their previous levels of activity, and the drivers behind it. Burnley is in the

Top 10 for recovery and it is notable to see that those places recovering most quickly are predominantly manufacturing towns or commuter towns.

Places struggling most to recover footfall are large cities where footfall is dependent on daily flows of commuters. This is not the case in Burnley with the Centre for Cities analysis of who is visiting the town centre having barely changed pre and post lockdown, with the vast majority of visitors coming from the immediate suburbs rather than daily out of town commuters.

Delivering the Respond Phase

Since the COVID-19 pandemic hit in March, Burnley Borough Council has implemented the 'Respond' phase of its Economic Recovery Plan, in an effort to minimise the impact of lockdown on the local economy.

In support of **Businesses**, during the early stages of the pandemic, the Council's Business Support Team has been in regular contact with a wide range of businesses ranging from micro businesses through to large multi-nationals.

The Council has:

- Distributed £23.5m of Business Support Grants to 2,090 businesses;
- Allocated £12m of Business Rates Relief to 474 businesses in the Retail, Hospitality and Leisure sector;
- provide advice and assistance to 1,331 businesses on 'working safely' throughout the peak of the pandemic and as social distances measures were relaxed;
- Worked closely with BOOST Lancashire to ensure that Burnley businesses can access Government support particularly through the CBILS and BBLIS initiatives;
- Gathered intelligence and lobbied for support particularly for the aerospace and advanced manufacturing sectors; and
- Worked with Burnley Bondholders, and through the Burnley Brand, to highlight the resilience and innovation of Burnley businesses during the initial phase of the pandemic.

In support of **People**, the Council has worked closely with key partners and stakeholders to ensure maximum support for residents.

The Council has:

- Brought together key partners to establish the Burnley Together Hub proving a support lifeline to the most vulnerable people in the borough, ensuring access to vital supplies of food, medicine, and in some cases, simply someone to talk to;
- Supported residents with advice and support in response to increasing levels of anxiety about jobs, income, and debt;
- Worked with DWP and other partners to establish an Employment and Skills Partnership to plan services to immediately address rising unemployment levels, particularly amongst young people;
- Supported Burnley College and UCLAN to put in place socially distanced learning provision to support students to complete their studies;
- Lobbied for the establishment of a Lancashire Redundancy Taskforce to provide a package of support including benefits advice, skills analysis, skills development and jobs search support in response to redundancy announcements
- Engaged with Burnley businesses who have already, or are planning to make, redundancy announcements and ensuring that affected employees have access to relevant support.

To support our **Town Centres and Places**, the Council has:

- Developed a partnership approach with Burnley BID, Charter Walk Shopping Centre and Lancashire Constabulary to lockdown Burnley Town Centre, and then to safely re-open it firstly to non-essential retailers and later for the hospitality sector;
- Worked with partners to ensure that visitors can enjoy the re-opened Town Centre whilst maintaining social distancing guidelines;
- Worked with Government and the NHS to establish walk-in COVID-19 Test Centres;
- Provided businesses with targeted support and advice from Burnley BID and the Council's Environmental Health Team to enable them to re-open safely;
- Supported retailers in Padiham to deal with the COVID-19 outbreak as well as dealing with the aftermath of the devastating floods which took place in February; and
- Throughout lockdown, promoted the Burnley Brand and the benefits of Burnley as a place to live focusing on the borough's green spaces and access to the surrounding countryside, whilst at the same time respectfully asking people to maintain social distancing.

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5. Resetting our Economy

Our Economic Recovery and Growth Strategy is built around the development of a phased recovery response which will see our economy progress to a new “normal” over the next five-year period. To achieve this, the Board will focus on delivering the Recover, Renew, and Reset phases of the Economic Recovery and Growth Strategy and, at all times, we will focus our efforts and resources on supporting our *Businesses*, our *People*, and our *Town Centres and Places*.

It is important to acknowledge that the phases will not be linear and will inevitably overlap. Indeed, it is likely to be necessary to step back or lengthen phases, for instance, in response to any subsequent spikes in the pandemic. It might be that some parts of the economy will progress much more quickly through the transition to recovery than others. However, at all times, we will ensure that our intelligence gathering, monitoring, and collaborative working with public, private, community and voluntary sector partners and stakeholders enables us to remain vigilant, agile and responsive.

Our relationship with the LEP and our involvement in shaping the emerging Greater Lancashire Plan will help ensure that we benefit from the Government’s ‘levelling-up’ agenda with funding and initiatives ‘touching down’ locally. Indeed, this Economic Recovery and Growth Strategy identifies areas of intervention for which we will lobby locally, regionally and nationally for resources and initiatives which will help the Board to achieve our vision. These are identified later.

We also recognise our relationship with Government will be critical as we develop and implement our plan to deliver our recovery. We will ensure that local activity will be aligned to national policy on unlocking the economy and protecting health, whilst at the same time implementing ongoing and emerging national support and investment schemes.

Our Strategic Interventions and “Asks”

In order to secure economic growth in the short, medium and long term, we have identified a number of strategic interventions and “Asks”. These proposals have been developed through engagement with key stakeholders, and we will continue to engage with these partners to develop these into detailed and deliverable projects. Some are immediately deliverable using existing resources, and others are more ambitious and will require support from Government.

Our Strategic Interventions and Asks are identified below, and are followed by a wider range of priority “tactical” actions set out in plans which will support us to Recover, Renew, and Reset our economy.

Our Businesses

Business Intelligence

As an enabling action we will develop a more intelligence-led approach to supporting businesses. Whilst the Council and other partners already capture significant information on local businesses, we need to capture, share, and use this information more effectively.

The Council will gather intelligence to understand the impact of COVID-19 and the UK’s exit from the EU at the end of 2020 on the borough’s businesses as they recover so that local, regional and national interventions are evidence based, relevant and appropriate.

The Council will work with businesses to create a ‘fact-file’ of information on individual businesses. Businesses will be targeted by size and sector, and the ‘fact-file’ will capture detailed information on individual businesses, including the specific sector or multi-sectors in which it operates, investment

commitments, skills development plans, opportunities or new market being considered, and any barriers to growth.

A key focus of this approach will involve working with partners to secure resources to support business growth and investment plans, as well as a focus on 'accountability' which will ensure timely, measured and recorded follow-up support with businesses to determine the impact on levels of growth and performance, innovation, productivity, research and development, investment, workforce skills and training, and diversification.

National Infrastructure and Exporting Opportunities

Working with relevant Government departments and bodies, the Council and its partners will identify Government-supported programmes, for example major infrastructure initiatives such as NS2 and HS2, and the procurement of new defence contracts, to ensure that local businesses can engage with supply chain opportunities as they seek to diversify their business base.

Work will also be undertaken with local businesses and partners, including ELCC, to identify export opportunities for Burnley businesses. This is particularly important as the UK departs from the EU at the end of 2020, as this will inevitably be followed by a period of uncertainty and new operating arrangements for business in sectors which have previously benefitted from trade-free tariffs and freedom of movements for goods, as new trade deals are developed by Government.

Low Carbon Accelerator Pilot

Working with Advanced Manufacturing Research Centre NW (AMRC the NW) and ELCC, the Council will work to establish an accelerator pilot project using resources secured by the AMRC NW's Low Carbon Demonstrator Project and ELCC's RedCAT (Centre for Alternative Technologies) Low Carbon initiative.

This locally-based initiative will help Burnley businesses improve their energy and environmental efficiencies, and also provide support for those businesses developing a new piece of low carbon technology who need a route to market, investment, or to source a local manufacturer.

The Vision Park will be used as a local Low Carbon Demonstrator Hub, complementing the AMRC NW's new-build facility at the Samlesbury Aerospace Enterprise Zone. The Vision Park will also provide incubator and grow-on space for businesses.

The Council will support the development of the Low Carbon Accelerator Pilot through providing resources within the Business Support Team, to identify an initial target list of companies with which the pilot can engage, and deliver, as well as working with partners to organise targeted events and promotion linked to the initiative.

Burnley College, UCLAN, and other appropriate institutions will also be engaged in the initiative to ensure that any skills gaps identified in the businesses can be met. This will include apprenticeships, STEM related A-Level subjects, Undergraduate, and PHD resources and Knowledge Transfer Partnerships (KTPs).

University Enterprise and Innovation Zone and Medi-Tech Hub

We will seek government support for a University Enterprise Zone (UEZ) for Pennine Lancashire. The UEZ will bring together UCLAN and businesses to increase local growth and innovation, building on their existing research capacity, capabilities and partnerships, to create a business ecosystem that encourages businesses to interact with universities.

The University will deliver high-level skills for existing and new sectors in partnership with key industries, work with businesses to develop R&D capabilities, and use expertise from its School of Business to deliver a range of support to start up and scale up businesses with a focus on leadership. It will also utilise its world-wide network, particularly in China and the Middle East, to raise the international profile of Burnley and the region, acting as a conduit for Foreign Direct Investment and export markets, growing and retaining graduates, and providing them with entrepreneurial appetite through business incubation, work-based experience and KTPs which will have a positive effect on productivity and inward investment

Working with UCLAN's School of Medicine, the Council and local partners will explore opportunities for the diversification of the existing precision engineering and manufacturing business base. This will involve identifying local businesses with expertise in areas such as 'certification' and introducing them, via targeted networking events organised and supported by UCLAN, to clinicians from the East Lancashire Teaching Hospital Trust who will be present to discuss emerging areas of specialisms, such as robotics.

A long-term ambition would be to establish a Medi-Tech Hub as part of a wider University Campus development along the Canalside.

Locally Deployed Growth Fund

As part of the "levelling up" agenda the Council and its partners will work together to secure locally managed resources for businesses as it did through the previously successful Regional Growth Fund (RGF). Immediately, the Council will bolster its existing Business Growth Fund to support co-investment to enable businesses to purchase capital equipment to enable them to diversify into alternative and multi-sector supply chains.

However, the resources available are small and by working with partners and the Economic Recovery and Growth Board, proposals will be developed for a locally deployed growth fund similar to that of the previously successful RGF. As well as funds for capital investment we will work with UCLAN to lobby government for local flexibility and delegation of Innovate UK funding, which will be targeted at businesses with little or no experience in securing R&D funding.

In addition, working with local partners including the LEP, we will lobby nationally for increased capital allowances for plant and machinery which will support companies to invest to deliver diversification opportunities into new markets and sectors.

Trade Missions and Campaigns

Through the Burnley Bondholders, local businesses will be introduced to opportunities for supply chain collaboration, raising awareness of the capability and capacity of Burnley businesses. Trade visits to other UK locations will be organised where there may be complementary growth opportunities.

Our People

In the short term we will protect our residents, particularly young people from the long-term scarring impacts of the recession.

Longer term, through our Renew and Reset phases, we will enable our residents to become more highly-skilled, and the Council will work with Burnley College and UCLAN to increase participation in Further and Higher Education. We will also ensure local businesses are able to access skills support which is both relevant, and also enables them to become more innovative and productive.

Employment and Skills Partnership and Youth Employment and Skill Hub

The Employment and Skills Partnership brings together DWP alongside a range of providers, to work with those furthest from the labour market to acquire skills, confidence, and progression opportunities to enable them to participate in the workforce.

A key focus of this will be on young people, ensuring that they can, and are, fully participating in the workforce having been protected from the most severe impacts of the recession.

Through the establishment of a Youth Employment and Skills Hub, led by Calico, young people will have a single point of access to a range of employment and skills support. The Youth Employment and Skills Hub is brought together under the banner of the Burnley Together partnership. The Youth Hub will deliver an effective employment support and skills development offer that is accessible for all young people aged 16 to 24 years old.

The offer will support young people to make good, positive decisions for their futures, considering opportunities to learn, develop, and move into employment at the time that is right for them. Our work will focus on getting the right employment and skills outcome, but will also be underpinned by supportive work helping young people with any health and wellbeing needs that will help them to build up their resilience.

The Youth Employment and Skills Hub will seek to make best use of the existing resources and projects, utilising new funding and resources to fill those gaps that will make the most difference to young peoples' employment prospects. The skills hub provision will be intelligence led and performance-managed to ensure that young people do actually progress into work or education.

Burnley College Campus

Burnley College is set to invest £7m in an extension to its existing campus to accommodate growth in the 16 to 18 age cohort, and to meet demand from re-skilling the existing workforce. The new facility - the Innovation Building - will provide additional accommodation to expand its offer in health and science, and to deliver Health T-Levels from 2021.

The College also has ambitions to grow its campus footprint, including establishing an Innovation Hub adjacent with a focus on engineering and manufacturing, working closely with major local employers including SAFRAN, VEKA and BCW. The Innovation Hub would be a multi-use facility providing local businesses access to demonstrator equipment, bringing together local businesses and sector experts.

UCLAN University

The expansion of UCLAN, creating an anchor HE institution for the area, is key to driving higher level skills. The University is already on track to attract 1,000 FTE students by 2021, and is aiming to increase student numbers to 4,000 by 2024.

UCLAN has already established a significant presence, working with employers and local partners, including the East Lancashire Teaching Hospital Trust, to deliver a range of innovative projects and educational programmes. The current course portfolio includes medical sciences, Health and Social Care, Community Leadership, Nursing, Business Management, and Digital Technologies. By 2025, the University's educational portfolio will have expanded to include undergraduate and post graduate courses.

Our Town Centres and Places

Town Centre and Canalside Masterplan

The Burnley Town Centre and Canalside Masterplan sets out ambitious plans to diversify the Town Centre in response to the changing roles of town centres brought about by changing consumer habits most

notably the growth of online retailing, that have been accelerated by the COVID 19 pandemic. The masterplan includes plans to bring a wider range of leisure, cultural, creative, community and residential uses into the town centre and adjoining canal side area.

Despite its levels of need Burnley, did not receive any funding from the Government's High Street Fund or Town Deal initiative. The Council, together with the Economic Recovery and Growth Board, and Burnley Bondholders, will continue to make a case for investment in our ambitious and "shovel ready" plans.

Heritage and Culture-Led Regeneration

Working with local partners, Lower St James' Street will be the focus of a Heritage and Culture-led regeneration scheme. A key focus of this will be a quality public realm scheme which will also see sympathetic refurbishment to external frontages and shop fronts, with unused upper floorspace considered for conversion to residential, in line with the area's conservation status.

Padiham Town Centre will continue to benefit from Heritage Led Regeneration, including the conversion of Padiham Town Hall into a business hub and co-work space.

Strategic Sites and Business Premises

To support our businesses to be more productive and innovative, it will be necessary to ensure there are good quality premises and workspace available for existing companies to expand into, new businesses to start up in, and for new investors to locate into. We will need to respond to the property requirements of new and growing sectors as well as a more flexible approach to workplaces where the recent pandemic has enforced existing trends.

The Economic Recovery and Growth Board will lobby for initiatives and resources, which will support the Council and its partners to develop key sites identified within the Local Plan, where possible repurposing brownfield sites to create new build, high-quality modern premises. These will be home to diversified engineering and manufacturing businesses, and consultancy and design-led businesses in the creative and digital sectors, and the knowledge economy.

Promotion and Branding

There will be an increased focus on strengthening the Burnley Brand which will be driven by a reinvigorated Burnley Bondholders.

The Bondholders, with a new Chair in position, will promote the strengths of its members and look to develop Trade Events and Missions with other UK areas which have complementary supply chains, as well as engaging via the Economic Recovery and Growth Board, to identify supply chain opportunities linked to national development and infrastructure initiatives, such as HS2.

Infrastructure and Connectivity

Working with near neighbours, the Economic Recovery and Growth Board will lobby for increased train services on the Blackburn-Burnley-Manchester line.

Case-making will also be developed with near neighbours, Lancashire County Council, and the LEP, to promote electrification of the rail line from Preston, through Pennine Lancashire, into West Yorkshire and Greater Manchester, as an alternative to the M62 and Northern Powerhouse Rail Corridors.

The way in which businesses and individuals use technology is changing quickly and fundamentally. There is a need to significantly upgrade the borough's broadband connectivity other wise there is a danger that the

borough could be on the wrong side of the digital divide. Whilst most of the borough is now served by superfast broadband, this is an old technology and not fit for the future. Full-fibre networks and 5G cellular networks are the required technologies capable of meeting the future demands for speed, capacity, reliability, and responsiveness required by residents, businesses and the public sector in order to use modern digital services.

Priority Actions

Detailed below are a series of priority actions, by theme, which we will develop in each phase of our Recovery, as well as identifying lead bodies and resources required to deliver these actions.

RECOVER PHASE (6 to 12 months)		
OUR BUSINESSES		
Priority Action	Lead Body	Partners
The Council will work with partners to more effectively use business intelligence Working with partners, the Council will gather intelligence to understand the impact of COVID-19 on businesses as they recover so that local, regional and national interventions are evidence based, relevant and appropriate. The Council's Business Support Team will work with businesses to create a 'fact-file' of information on individual businesses. Businesses will be targeted by size and sector and an initial target list will be compiled.	Burnley Borough Council	BOOST Lancashire, UCLAN, Lancaster University, DWP, Burnley College, Employment and Skills Partnership, Lancashire Employment and Skills Board.
Establish a Low Carbon Accelerator Pilot to help Burnley businesses improve their energy and environmental efficiencies, and also provide support for those developing a new piece of low carbon technology who need a route to market, investment, or to source a local manufacturer.	Burnley Borough Council	ELCCI, AMRC NW,
Lobby for funding to establish a locally deployed Growth Fund to provide locally managed resources for businesses to access investment support to enable them to purchase capital equipment to support diversification into alternative and/or multi-sector supply chains. As well as funds for capital investment, the Council will work with UCLAN to secure Innovation Funding with some local flexibility of Innovate UK funding.	Burnley Economic Recovery Board	Burnley Borough Council, ELCC, , UCLAN.
Introduce local businesses to opportunities for supply chain collaboration and raise awareness of the capability and capacity of Burnley businesses through trade visits to other UK locations where there may be complementary growth opportunities.	Burnley Bondholders	Burnley Borough Council, ELCC.
Working with businesses, the Council will support and maximise the take up of existing initiatives, programmes, and schemes provided locally through BOOST Lancashire and by	Burnley Borough Council	Lancashire County Council, BOOST Lancashire, LEP, ELCCI, Manchester Growth Company, AMRC NW, Made

national sector-based organisations and programmes.		Smarter, UCLAN, Lancaster University, Lancashire Employment and Skills Board, NWAAs, NAA, Innovate UK.
Co-ordinate the review, re-focusing, and re-purposing of existing initiatives and programmes so that they can be more effectively delivered and ensure that national, regional, and local resources and initiatives 'touch down' in Burnley and identify gaps in the business support environment to address locally defined issues.	Economic Recovery and Growth Board	Burnley Borough Council, BOOST Lancashire, LEP, ELCCI, UCLAN, Lancaster University, Manchester Growth Company, AMRC NW, Made Smarter, Innovate UK.
Lobby for support for key sectors, particularly aerospace and automotive, to secure alternative supply chain opportunities in NS2, Nuclear in the shorter term.	Economic Recovery and Growth Board	Burnley Borough Council, ELCCI, Burnley Bondholders, LEP, local MP(s).
Deliver extra resources to support new business start-ups.	Burnley Borough Council	BOOST Lancashire, Private Sector Partners
Work with East Lancashire Chamber of Commerce and UKTI to ensure the Burnley businesses can adapt to a post Brexit trading environment.	Burnley Economic Recovery and Growth Board	Burnley Borough Council, ELCCI, UKTI.
OUR PEOPLE		
Priority Action	Lead Body	Partners
Increase participation in Further and Higher Education.	Burnley College, UCLAN	Youth Skills Hub, LCC, Schools
Provide a holistic and co-ordinated programme of support to keep people in work and ensure that people are work ready.	Employment and Skills Partnership	DWP, Employment and Skills Partnership, Burnley College, Calico, BFiC.
Establish a Youth Employment and Skills Hub (initially virtual) bringing together a range of partners to deliver an end to end programme of support to ensure that young people are engaged in employment, education, and training.	Calico	Burnley Borough Council, DWP, Burnley College, BFiC, UCLAN, Lancashire Skills Hub, Princes Trust, LCC
Work with employers to ensure that 'Kick Start' and new apprenticeship incentive programmes are delivered effectively for the benefit of young people.	Employment and Skills Partnership	Burnley Borough Council, Lancashire Skills Hub, Burnley College, Lancashire County Council, Calico ELCC.
Work with training providers and business to ensure that apprentices can complete their learning, building on the Calico 'Constructing the Future' model.	Employment and Skills Partnership	Burnley Borough Council, Lancashire Skills Hub, Burnley College, Calico, ELCC, private sector businesses.
Work with Lancashire Skills Hub and DWP to provide a Redundancy Response service.	Burnley Borough Council	Lancashire Skills Hub, DWP.
Ensure that the town and its residents benefit from a range of "green job creation" schemes announced by Government and identify "shovel ready" schemes to benefit from the Green Recovery Challenge Fund.	Burnley Borough Council	Lancashire Skills Hub, DWP, Employment and Skills Partnership, Calico., community and voluntary sector
OUR TOWN CENTRES AND PLACES		
Priority Action	Lead Body	Partners

Actively promote Burnley Town Centre, particularly its independent sector with a “Shop Local, Stay Local” campaign and customer loyalty scheme as well as deliver a programme of support to help businesses to recover from the pandemic.	Burnley Business Improvement District	Burnley Borough Council
Continue to work with retailers and businesses in Padiham to promote the retail and visitor offer.	Burnley Borough Council (Padiham Town Centre Manager)	Padiham Town Centre Steering Group
Ensure that existing housing, infrastructure and regeneration projects are progressed and delivered.	Burnley Economic Recovery and Growth Board	Burnley Borough Council
Promote clear messaging on how the town is recovering, highlighting positive business growth and recovery stories.	Burnley Bondholders, Burnley Brand Manager	Burnley Borough Council
Capitalising on shorter term demand for “staycations” and day visits, promote the borough as a “safe” place to visit based around its high-quality parks and accessible countryside and outdoor activity opportunities.	Burnley Bondholders	Marketing Lancashire.

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RENEW PHASE (1 to 3 years)		
OUR BUSINESSES		
Priority Action	Lead Body	Partners
Establish a University Enterprise and Innovation Zone (UEZ) and Medi-Tech Hub alongside the Canalside.	UCLAN	Burnley Economic Recovery and Growth Board, UCLAN Government.
Support businesses (particularly SMEs) to adopt Industry 4.0 utilising industrial technologies such as additive manufacturing, big data and artificial intelligence to improve productivity.	Burnley Borough Council	Made Smarter, UCLAN, Lancaster university, ARMN NW, ELCCI, Manchester Growth Company, BOOST Lancashire, NWAA, NAA and other sector bodies.
Support the upskilling of the local engineering and manufacturing workforce in the use of new industrial technologies.	Employment and Skills Partnership	Made Smarter, Burnley College, UCLAN, Lancaster University, ARMN NW, ELCC.
Support businesses to implement low energy practices and reduce carbon footprint.	Burnley Borough Council	UCLAN, Lancaster University, ARMN NW, ELCC, Burnley College, Lancashire Skills Hub.
Explore the potential for businesses to diversify into the Medi-Tech sector, including and products and services to support an ageing society.	Burnley Borough Council	UCLAN, East Lancashire Teaching Hospital Trust, private sector.
An invigorated Digital Burnley Group will work together to create an environment for Digi-Tech businesses to grow addressing common issues around skills, workforce development and availability, and areas for collaboration.	Burnley Borough Council	Digital Burnley Group, Burnley Bondholders, Digital Lancashire
Support the borough to receive a fairer share of R&D investment as part of the Government's 'levelling-up' agenda.	Burnley Borough Council	UCLAN, Innovate UK.
OUR PEOPLE		
Priority Action	Lead Body	Partners
Increase participation in higher level learning programmes, including advanced and higher-level apprenticeships, to increase the number of people with higher level qualifications required for the new economy.	UCLAN and Burnley College	Schools, employers
Continue to work with those furthest from the labour market to acquire skills, confidence and progression opportunities to participate in the workforce.	Employment and Skills Partnership	Burnley Borough Council, DWP, Burnley College, Calico, BFiC.
OUR TOWN CENTRES AND PLACES		
Priority Actions	Lead Body	Partners

Grow the UCLAN offer and develop an impressive Canalside Campus creating an anchor institution in Pennine Lancashire to underpin economic renewal.	Economic Recovery and Growth Board	Burnley Borough Council, UCLAN, near neighbours.
The Burnley Town Centre and Canalside Masterplan sets out ambitious plans to diversify the town centre introducing a wider range of leisure, cultural, creative, community and residential uses in response to the changing role of town centres. We will accelerate the delivery of the masterplan.	Burnley Borough Council	Economic Recovery and Growth Board, UCLAN, Private Sector
Deliver a Heritage and Culture lead regeneration scheme on Lower St James' Street.	Burnley Borough Council	Local businesses, Burnley Business Improvement District, Burnley Leisure
Deliver heritage led Regeneration Plans in Padiham including the conversion of Padiham Town Hall into a business hub and co-work-space.	Burnley Borough Council	LCC, EA, National Trust, Padiham Town Council and local businesses
Bring forward new housing on brownfield sites utilising new modern methods of construction delivering low carbon homes in a high-quality environment.	Burnley Borough Council	Homes England, local developers.
Lobby for better digital connectivity including full fibre and 5G to enable residents to work from home and for better business connectivity.	Economic Recovery Board	Lancashire County Council, DCMS, private providers.
Lobby for further improvements to transport links to Manchester and Yorkshire.	Burnley Council	Lancashire County Council, near neighbours, DfT, Burnley Bondholders Network Rail, Northern Powerhouse.

RESET PHASE (3 to 5 years plus)		
OUR BUSINESSES		
Priority Actions	Lead Body	Partners
Ensure businesses are resilient, sustainable and ready for growth.	Economic Recovery and Growth Board	Burnley Borough Council, BOOST Lancashire, UCLAN, Lancaster University, Burnley College, AMRC NW, ELCC, Manchester Growth Company, Made Smarter.
Ensure businesses are prepared for an Industry 4.0 world with higher levels of R&D, innovation, digitisation and productivity.	Economic Recovery and Growth Board	Burnley Borough Council, BOOST Lancashire, LEP, UCLAN, Lancaster University, Burnley College, AMRC NW, ELCC, Manchester Growth Company, Made Smarter.
Support the borough's aerospace and automotive supply chain to be fit for the future and able to respond to new demands for	Economic Recovery and Growth Board	Burnley Borough Council, UCLAN, Lancaster University, Burnley College, AMRC NW, ELCC, Manchester Growth Company,

electric vehicles and low carbon travel.		NWAA, NAA. Northern Powerhouse, LEP.
Support the engineering and manufacturing sector to diversify into new markets in clean energy, Medi-Tech, and advanced materials.	Economic Recovery and Growth Board	Burnley Borough Council, BOOST Lancashire, LEP, UCLAN, Lancaster University, Burnley College, AMRC NW, ELCC, Manchester Growth Company, Made Smarter.
OUR PEOPLE		
Priority Actions	Lead Body	Resources
Ensure our young people can fully take part in the workforce having been protected from the worse outcome of the recession.	Economic Recovery and Growth Board	Burnley Borough Council, Employment and Skills Partnership, Lancashire County Council, Burnley College, UCLAN, BFiC.
Create a more more inclusive borough with more people able and ready to take part in work.	Economic Recovery and Growth Board	Burnley Borough Council, Employment and Skills Partnership, Burnley College, UCLAN.
Support more people to have higher level skills and participate in FE and HE, enabling residents to take part in rewarding jobs both locally and in nearby labour markets.	Economic Recovery and Growth Board	Burnley Borough Council, UCLAN, Lancaster University.
OUR TOWN CENTRES AND PLACES		
Priority Actions	Lead Body	Partners
Develop Burnley Town Centre so that it can accommodate a more diverse range of uses, with improved cycle and walking access supported by a regenerated Canalside area and growing University Campus.	Economic Recovery and Growth Board	Burnley Borough Council, UCLAN, Lancashire County Council.
Support Padiham Town Centre to become a thriving historic town with strong independent retail and service offer with a business hub based at the renovated Padiham Town Hall.	And Growth Economic Recovery Board	Burnley Borough Council

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6. How We Will Measure Our Success

The overall success of our approach to economic recovery will be seen through the indicators we are developing against our Economic Recovery Plan.

The Economic Recovery Board will retain responsibility for monitoring the achievement of outcomes.

Our BUSINESSES will be:
Resilient, sustainable, ready for growth and fit for the future.
Prepared for Industry 4.0.
More innovative, productive, and able to embrace and capitalise on increased levels of innovation, Research & Development, digitisation, and automation.
More diverse and engaged in sectors including creative, digital, health, and the knowledge economy.
Agile and able to respond to new demands set by the aerospace and automotive industries for low carbon travel and electric vehicles.
Ready and capable to enter new manufacturing markets in low carbon and clean energy, Medi-Tech and advanced materials.
Our PEOPLE will be:
Innovative and entrepreneurial.
More highly skilled and will increasingly participate in Further and Higher Education enabling residents to access employment opportunities in good jobs both locally and in nearby labour markets.
Able and ready to engage in economic activity.
Young people will fully participate in the workforce having been protected from the most severe impacts of the recession.
Our TOWN CENTRES AND PLACES will be:
Vibrant, inclusive, diverse and regenerated.
Responsive to the needs of existing and new businesses by providing quality, fit-for-purpose sites and premises set within quality strategic investment locations in which Burnley Town Centre will be transformed by a Canalside area and growing University campus, and Padiham Town Centre will be a thriving historic town with a strong independent retail and service and business hub offer based at the renovated Padiham Town Hall

Our **BUSINESSES** will be:

- ;
- ;
- Agile and able to respond to new demands set by the aerospace and automotive industries for low carbon travel and electric vehicles; and
- .

Our **PEOPLE** will be:

- ;

- ;
- ; and
- .

Our **TOWN CENTRES** and **PLACES** will be:

- ;
- ;
- Linked by an enhanced green and blue infrastructure network, and resilient to climate change; and
- Well-connected both physically and digitally

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ITEM NO	
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REPORT TO EXECUTIVE



DATE	21st September 2020
PORTFOLIO	Resources and Performance Management
REPORT AUTHOR	Chris Gay
TEL NO	Ex. 7163
EMAIL	cgay@burnley.gov.uk

Response to the Green Group motion on single use plastics

PURPOSE

1.0 To consider a motion presented to Council from the Green Group on single use plastics.

RECOMMENDATION

- 2.0 In response to the motion it is recommended to the Executive that:
- a. an audit and publication of single use plastic (SUP) items used by the council is not undertaken
 - b. an annual SUP audit and publication scheme is not introduced
 - c. Where reasonably practical council actions are maintained to reduce SUP in the supply of council goods, services and works, through appropriate tender specifications
 - d. Where reasonably practical and appropriate include specific lease or tenancy conditions to support SUP removal and reduction
 - e. Criteria are included in tender specifications to evaluate supplier compliance to SUP removal or reduction
 - f. The recommendations at C and E above are applied where SUP use is identified in the existing council supply chain
 - g. Work continues to encourage local businesses to reduce SUP
 - h. the council does not undertake a feasibility study to identify available premises for a community co-operative shop
 - i. The council uses social media to facilitate and raise awareness on actions to support SUP reduction, linking this with existing County wide awareness initiatives

REASONS FOR RECOMMENDATION

- 3.0 The Council is already undertaking a number of initiatives to reduce reliance on SUP and any response must be proportionate. The focus of council resources is currently prioritised on its response to the Covid-19 pandemic.

SUMMARY OF KEY POINTS

4.0 **The Green Group Motion**

The Green Group presented a motion to full Council on 18th December 2019 calling for the following resolutions with regards to the Council's use of SUP:

- a) Conduct an in-depth audit of all items used within the council estate for USUPs and publish the results to the public by 30 April 2020
- b) Thereafter, complete annual audits of the councils' USUP use, and publish these results to the public annually, no later than the 30 April in each year
- c) End the procurement and use of USUPs, including (but not limited to) cups, cutlery, water bottles, stirrers and straws, within all Council run operations, premises and events by March 31, 2020
- d) Include, as a condition of any new licence to occupy, lease or other tenancy or other disposal of council premises, a provision that no USUPs will be generated or permitted at such premises
- e) Include, as a condition of any new council contract, a provision that no USUPs will be generated or permitted in the Borough
- f) Assess the councils' supply chain, and switch to businesses that are as USUP-free as possible
- g) Encourage local businesses (including Burnley Market and Burnley FC) to phase out and stop their use of USUPs
- h) Carry out a feasibility study to identify (i) a space owned by this Council within the Borough to house a zero-waste [8] community run co-operative shop with rent and rate incentives and (ii) for siting of refill stations, to discourage the purchase of USUP bottles
- i) Facilitate education programmes to the public to discourage the use of USUP

5.0 **BACKGROUND**

- 5.1 Single use plastics (SUP) or disposable plastics, are used only once or for a short time before they are recycled or become waste. Common SUP items include plastic bags, coffee stirrers, water bottles, food packaging etc. The negative effects of plastics upon the environment, through production and disposal, is a well documented concern.

<p>5.2 Action is being taken to address SUP at global and national levels. The UK Government's 25 Year Environment Plan aims to remove SUP by 2042. The UK Plastics Pact, led by WRAP, is working with the sector to transform use through innovation, design and reuse.</p>
<p>5.3 The Environment Bill 2019/ 21 will soon return to Parliament. It includes powers to introduce charges on suppliers using SUP. From October, Defra will implement a ban on plastic straws, stirrers and cotton buds, and from 2022 it will introduce a tax on plastic packaging where companies produce or import packaging not containing at least 30% recycled content.</p>
<p>6.0 <u>Summary of current council actions to address SUP</u> In context the council does not have a significant SUP 'footprint'; for example, through large catering, supply or retail operations. The council has, and continues, to take proportionate action to remove or reduce SUP where practical. Current priorities in response to the Covid-19 pandemic limit capacity to introduce any additional activity to address SUP.</p>
<p>6.1 Greenspaces and Amenities are working with parks friends groups to make 'Plastic Free Parks'; supported by the introduction of free public 'bottle filler' water fountains at the Rotunda car park, Towneley Hall and Thompson Park to encourage re-use of plastic containers. £20,000 has been allocated in the 2020/ 21 Capital Program for new bottle filler sites in both Padiham and Burnley town Centre's. However, during the pandemic work is on hold. A request to United Utilities to sponsor the installation of connections for filler points is being pursued.</p>
<p>6.2 Most ice cream sales at Towneley park are for those in cones (i.e. an edible container). Dialogue with vendors is ongoing for all sales to be SUP free. The supply chain is in the early stages of responding to consumer demand for alternative packaging. Supply chain changes are likely to be incremental as alternatives become available.</p>
<p>6.3 Licences for the Boat House and Rotunda contain clauses requiring operators to sell drinks in aluminium cans or tetra packs and supply bio-degradable takeaway receptacles and wooden stirrers. Biodegradable receptacles are provided at the Scott Park concession.</p>
<p>6.4 The new tenancy at the Stables Café is being progressed. The condition of tenancy requires bio-degradable cups, plates and stirrers and fresh milk for hot drinks served from jugs rather than plastic containers. The sale of drinks in plastic containers is not permitted.</p>
<p>6.5 The use of horticultural plastics in Greenspaces is being reduced by switching from bedding plants to herbaceous perennials. Work continues with suppliers to reduce SUP in the parks operation.</p>
<p>6.6 Plastic cups were replaced with 8oz biodegradable paper cups in 2018 for drinks vending in the Town Hall. Plastic lids are not used for hot drinks and wooden stirrers have replaced plastic. Drinking water is provided by mains supply water dispensers.</p>

6.7 Changes at the County Council waste treatment plant in October 2019 means a wider range of plastics can be processed including [SUP] margarine tubs, ready meal trays and yogurt cartons. These items are now being sent for processing through council recycling collection services; resulting in less plastic sent to landfill or incineration. The annual recycling calendar publication in November will continue to promote messages to residents on recyclable materials

7.0 RESPONSE TO MOTION

7.1 **Audit and Reporting of Council SUP Usage**

An in-depth audit with annual update and reporting of all SUP use in the Council would incur costs. An estimate of approximately 30 days would be required to initially scope use across the council, including review of associated contracts and purchasing histories to verify the extent. Alternatively, a desktop review focusing on 'main consumers' could be less resource intensive; but would not provide a comprehensive analysis. In any event it should be noted that it may not be possible to capture all use, for example packaging in goods received and use through the entire supply chain.

7.2 With limited resources available, and other prioritise, attention and activity is best focused on continuing the actions already being taken council wide to address SUP.

7.3 **Procurement of SUP.**

Research identifies that supply chains are in the early stages of responding to customer requirements on SUP. This restricts opportunities for immediate action to provide suitable and cost-effective alternatives; as would existing contractual arrangements. However, as has been demonstrated much work has already taken place. The council is acting on ending the sale and provision of SUP products. Service units are acting where possible; and should be further encouraged to review consumption and adopt products that are not reliant on SUP; including minimising use in the packaging of goods purchased.

7.4 **Condition of Contract (Procurement)**

The inclusion of a condition of any new contract that no SUPs would be generated or permitted in the borough is likely not achievable. This would be the case where alternatives are not yet available, or that they attract higher costs. This could restrict the ability and duty to achieve best value of public expenditure. The requirement to comply with procurement legislation will also need consideration. The ability to apply conditions would also be dependent on the pace at which the marketplace implements changes. This should be viewed on a case by case basis; as legislation and national policies work to remove SUP in supply chains.

7.5 As relevant contracts come up for renewal, they should be reviewed for alternative products and packaging. The inclusion in tender specifications of criteria that set out minimum and cost effective requirements on the non-use of SUPs, or its reduction, would signal council intentions to the marketplace; and as part of a scored tender evaluation could incentivise suppliers to meet requirements or seek innovative alternatives. In doing so we must be mindful that the council has relatively low buying power.

7.6 **Supply Chain**

In considering SUP within supply chains, where there is often little or no visibility of usage beyond tier one suppliers, it would be difficult to identify and address the full extent of SUP. As previously stated, supply chains are in the early stages of responding to consumer demands. The inclusion of requirements in tender specifications and actions in 7.3 above will help the council continue to positively address SUP. Action at Government and international levels should also prove significant in influencing the supply chain / marketplace.

7.7 **Condition of Lease**

Introducing restrictions into contracts for the sale or lease of council land or property could reduce the ability (requirement) to achieve 'best price'. As highlighted above, requirements in relation to SUP have been included where appropriate. All lease opportunities are reviewed case by case, conditions are included where possible. For example, the Rotunda license currently requires supply of bio-degradable cardboard cups and plates and wooden stirrers. A lease condition will be included when next tendered to exclude drinks in plastic containers.

8. **Encourage Local Business to Stop Using SUP**

8.1 **Burnley Market**

Discussions on tackling SUP have been undertaken with food traders. Some have removed SUP in all but take-out sales. Tenants are positive and willing to work further with the council on reduction and alternatives, and discussions will continue.

8.2 **Community Run Co-Operative**

The council already provides support, including a business rate incentive, to a plastic free 'refill' shop in Padiham. Turtlebee opened in December 2019 and offers a refill service for dried foods, washing powder and cleaning products. Other alternative plastic free products are planned. They work with local businesses to encourage plastic free products and provide advice to help promote change in resident shopping habits.

8.3 A feasibility study to identify further council space to run a zero-waste community run co-operative shop would incur costs, where presently there are more pressing priorities. As the Council already engages with several local co-operative groups and charities e.g. Pennine Lancashire Community Farm, New Ground Together, Park's Friend's Groups etc. a more feasible approach could be, based upon any demand present, to use established links to encourage parties to consider developing a clear business case for zero-waste initiatives that could be the basis for consideration of support.

8.4 **Education Programme**

Social media themed messages on SUP could sit alongside existing posts around council climate change initiatives i.e. the use of electric vehicles etc. Internal communications also serve to encourage staff to take positive action. This is perhaps the extent to which the Council could act in terms of education. Whilst the specific details of an education program are not fully determined in the motion; such a program would perhaps be better served through linking up with County Council work to promote SUP reduction across Lancashire. In all respects, the use of council resources in response to the Covid-19 pandemic remains the priority.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

- 9.0 The costs associated with motions A (audit), B (annual reporting) and H (feasibility study) are the officer time used to undertake research and analysis tasks etc. An estimate of a minimum of 30 working days is considered reasonable, costing in excess of £11,000 (based upon the average charge out rate of 53.61 per hour). There would also be an on-going cost in collating and reporting information annually. Again a reasonable estimate here would be approximately £2,700 pa.

POLICY IMPLICATIONS

10. None presently.

DETAILS OF CONSULTATION

11. This report will be presented to the Council's Scrutiny Committee on 21st September 2020.

REPORT TO LICENSING COMMITTEE



DATE	Wednesday 16th September 2020
PORTFOLIO	Community & Environmental Services
REPORT AUTHOR	John Clucas
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Licensing Act 2003 Burnley Borough Council Licensing Policy

PURPOSE

1. To advise members of the requirement under The Licensing Act 2003 that the Licensing Authority (Burnley Borough Council) has to determine and publish its Licensing Policy at least every 5 years.
2. The Statement of Licensing Policy sets out the principles that the authority will apply when exercising its functions under the Licensing Act 2003.

The existing policy was for the period from Jan 2016 to Jan 2021, so this needs to be revised and updated and agreed by the Full Council and published before 10th January 2021.

3. There is a requirement when considering updating the policy that it is sent out to relevant authorities for consultation.

A pre-consultation draft has already been circulated to key members and received no responses. As the next step the Licensing Committee agreed to send out the draft policy for formal consultation. The consultation was sent to over 100 individuals / organisations with a final response date of Friday 11th September 2020.

The formal consultation has now ended, there were two formal responses and some comments from others and this resulted in the draft Licensing Policy being amended slightly. The revised policy is attached (with highlighted changes) and now comes back before the committee.

Following this it will go to Scrutiny and then the Executive, then the full council in December 2020.

RECOMMENDATION

4. That the committee recommends that the attached draft policy for approval by Full Council.

REASONS FOR RECOMMENDATION

5. To comply with the timescale to have a final policy agreed and published by Jan 2021.

SUMMARY OF KEY POINTS

- 6 The updated draft policy is attached and to assist consultees the amended parts of the report have been highlighted. The **yellow highlights** (in the word documents) show the changes that were made to the existing policy prior to the formal consultation. **The green highlights** show the changes made as a result of the formal consultation responses.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

- . None

POLICY IMPLICATIONS

8. The Policy once approved will replace the Licensing Policy 2016-2021

DETAILS OF CONSULTATION

9. Initial consultation of the draft was sought and there were no responses. The full formal consultation has now also been completed. Over 100 individuals/organisations were consulted. A complete list of consultees can be found at Appendix A of the attached policy document

BACKGROUND PAPERS

10. none

FURTHER INFORMATION

PLEASE CONTACT:

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Burnley.gov.uk

LICENSING ACT 2003

**STATEMENT OF LICENSING POLICY
OF BURNLEY BOROUGH COUNCIL
MADE UNDER SECTION 5 LICENSING ACT 2003**

7TH JANUARY 2021 TO 6TH JANUARY 2026

THE LICENSING OBJECTIVES

- the prevention of **crime and disorder**
- **public safety**
- the prevention of **public nuisance**; and
- the **protection of children** from harm

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1. INTRODUCTION

1.1 The Licensing Act 2003 (the Act) and statutory guidance provide the legal framework under which licensing will be regulated in England and Wales. This document is produced to explain the criteria under which Burnley Borough Council, a Licensing Authority within the meaning of the Act, will discharge our functions under the law.

1.2 In executing our functions, we will consider the Licensing Act against a backcloth of other legislation, which may impact on the promotion of the licensing objectives. This will include the,

- Crime and Disorder Act 1998 as amended by the Police Reform Act 2002
- Human Rights Act 1998
- Health & Safety at Work Act 1974
- Environmental Protection Act 1990
- Anti-Social Behaviour Act 2003
- Race Relations Act 1976
- Race Relations (Amendment) Act 2000
- Criminal Justice & Police Act 2001
- **The Regulatory Reform (Fire Safety) Order 2005**
- Policing & Crime Act 2009
- The Equality Act 2010
- The Police Reform and Social Responsibility Act 2011
- **Live Music Act 2012**
- Anti-Social Behaviour Crime and Policing Act 2014
- **Deregulation Act 2015**
- **Data Protection Act 2018**
- **Coronavirus Act 2020**

1.3 We desire to create an environment where local people and visitors to our areas will have better opportunities to enjoy their leisure time in safety without fear of violence, intimidation or disorder whilst on or in the vicinity of licensed premises.

1.4 We recognise that the leisure industry is a significant contributor to:

- the economy
- cultural development
- jobs
- tourism

within the licensing authority area. We seek to create a licensing policy, which does not drive a wedge between the industry and enforcement authorities. We intend that co-operation and partnership remain the best method of promoting the licensing objectives.

1.5 Subject to the promotion of the licensing objectives, we will encourage facilities to allow people to lawfully enjoy their leisure time in the manner and at the time they wish to. We wish to encourage licensees to provide a wide range of entertainment activities, promote live music, dance, theatrical activity etc.

1.6 The Licensing Authority will actively encourage and promote a broad range of entertainment, recognising the wider cultural benefits for local communities.

- 1.7 This Council holds premises licences for public spaces in the community, such as parks, town centre areas, community halls and other appropriate public spaces.
- 1.8 Entertainers wishing to perform in any of the areas licensed by the Council may seek permission from the relevant Council Department, details of which can be obtained from the Licensing Unit.
Such persons may then be given consent to use such places by the relevant department of the Council, as opposed to obtaining individual premises licenses or temporary event notices in respect of events they may wish to hold.
- 1.9 The Guidance requires that a Licensing Authority considers such applications from a neutral standpoint. We will however balance the potential for limited disturbance in neighbourhoods against the wider benefits to the community and cultural development of the area.
- 1.10 We will endeavor to carry out our licensing functions in a way that:
- ensures public safety
 - supports well managed premises where licence holders who seek to actively promote the licensing objectives and display sensitivity to the potential impact of licensable activities on local residents and other businesses
 - protects residents' quality of life.
- 1.11 The Equality Act 2010 also includes a duty on the Council as the Licensing Authority to have due regard to the need to eliminate discrimination, harassment and victimisation; advance equality of opportunity; and foster good relations, between people with different protected characteristics.
- 1.11 We will have regard to how littering and fouling, noise, street crime and the capacity of the Council's infrastructure, resources police resources and healthcare resources impact on the licensing objectives.
- 1.12 We will discharge our functions with integrity and objectivity. We will work in partnership with the leisure industry, police, fire and rescue services, health, residents and local businesses to promote the licensing objectives.
- 1.13 We will take account of the statement of policy of neighboring licensing authorities where common boundaries exist.
- 1.14 We will seek to give protection to local residents, whose lives can be blighted by disturbance and antisocial activity associated with the behaviour of some people visiting places of entertainment.
- 1.15 We desire to strike a balance between allowing people to enjoy their leisure, at the times and in the manner they wish to, and ensuring the licensing objectives are met.
- 1.16 Licensing is about regulating licensable activities on licensed premises, in qualifying clubs and at temporary events within the definitions of the Act, and the conditions attached to the various authorisations will be focused on matters which are in the control of applicants and licence holders. Licensing law is not the primary mechanism for the

general control of nuisance and anti-social behaviour by individuals once they are away from licensed premises. Licensing law will however be a key aspect of a holistic approach to the management of the evening and night-time economy in town centres.

- 1.17 We will therefore focus upon the direct impact of the activities taking place at or in the vicinity of licensed premises on members of the public living, working or engaged in normal activities in the vicinity of those places.

2. LICENSABLE ACTIVITY

- 2.1 This policy relates to licensable activities. They are:

- The sale of alcohol
- The supply of alcohol by or on behalf of a club to members of the club
- The provision of regulated entertainment
- The provision of late-night refreshment

- 2.2 The provision of hot food or hot drink may take place at any time, but we will only be able to regulate such activity between 11pm and 5am. The provision outside these times is not licensable activity under the Act.

- 2.3 Advice on whether a licence is required for premises or an event can be obtained from the Licensing Unit, Burnley Borough Council.

3. PROMOTION OF THE LICENSING OBJECTIVES

- 3.1 We will promote the 4 licensing objectives, namely

- the prevention of **crime and disorder**
- **public safety**
- the prevention of **public nuisance**; and
- the **protection of children** from harm, and all our decisions will reflect these objectives.

- 3.2 We consider each licensing objective to be of equal importance. They will be considered in relation to matters centered on the premises or within the control of the licensee. We will objectively consider the direct effect that the carrying on of the licensable activities has in the vicinity of the premises. Licensing law is not a mechanism for the general control of anti-social behavior by individuals once they are beyond the direct control of the licensee or vicinity of licensed premises.

- 3.3 We will not deter an individual making an application and having that application judged on its individual merits. It is for the applicant to decide what, if any, measures to suggest in its operating schedule in order to address any potential concerns that might arise in the promotion of the licensing objectives. Applicants are reminded that measures proposed in the operating schedules will be converted into conditions on their licence

- 3.4 Applicants are reminded that responsible authorities or other persons may make representations if they feel that the applicant's proposals do not adequately promote the

licensing objectives. An applicant who proposes no measures to promote the licensing objectives may therefore face more representations than an applicant who risk assesses their operation and proposes necessary and proportionate measures.

- 3.5 We will not deter any person from making representations in respect of any application or seeking a review of a license. Where a representation is received which is not from a responsible authority the licensing authority will in the first instance make a judgement on whether it is relevant, i.e. based upon one or more of the four licensing objectives.

Relevant representations are representations:

- about the likely effect of the premises licence on the promotion of the licensing objectives;
- which have not been withdrawn and are not, in the opinion of the council, frivolous or vexatious.

- 3.6 This authority recommends early consultation with responsible authorities. Many responsible authorities have produced guidance which applicants can take into account when assessing whether they need to include any measures in their application to promote the licensing objectives. In addition, many responsible authorities would be prepared to discuss matters on site with an applicant with a view to reaching agreement on measures to be proposed.

Crime and Disorder

- 3.7 Under the Crime and Disorder Act 1998, the authority must exercise its functions, having regard to the likely effect on crime and disorder in its area, and must do all it can to prevent crime and disorder. Where its discretion is engaged, the authority will seek to promote the licensing objective of preventing crime and disorder in a manner which supports the Lancashire County Council Community Safety Action Plan and any local community safety priorities or emerging threats identified Burnley Community Safety Delivery Group (MATAC) or any similarly constituted group.
- 3.8 If relevant representations are made in relation to a premises licence or club premises certificate, the council will consider whether it is necessary to impose conditions to regulate behaviour on the premises and access to them where this relates to licensable activities, and the licensing objectives. Any conditions attached will not seek to manage the behaviour of customers once they are beyond the direct management of the licence holder, their staff or agents, but may seek to impact on the behaviour of customers on or in the immediate vicinity of premises as they seek to enter or leave.
- 3.9 Conditions will be targeted on deterrence and the prevention of crime and disorder. The authority may consider:
- The need for and location of CCTV cameras
 - The need for door supervision
 - The need for a text or radio pager system allowing communication between premises and with the Police
 - If during any specific local event further conditions need to be in place, e.g. Burnley FC home games.

- Membership of a recognised pub watch or similar scheme

Public Safety

- 3.10 The public safety objective is concerned with the physical state of people using the premises. Public safety includes safety of performers appearing at any premises **and any staff.**
- 3.11 On 1 October 2006 the Regulatory Reform (Fire Safety) Order 2005 replaced previous fire safety legislation. This authority will not seek to impose fire safety conditions as conditions on licences where the Order applies.
- 3.12 Applicants are advised to consult with the Environmental Health, Health and Safety Team, who can offer advice as to appropriate measures to be included in risk assessments, and potentially in operating schedules. On receipt of relevant representations, the council will have regard to the views of the Health and Safety Team. The team can also offer advice in relation to workplace health and safety matters, including compliance with the Health Act 2006 (smoke free).
- 3.13 Conditions requiring possession of certificates on the safety or satisfactory nature of equipment or fixtures on premises will not normally be imposed as those are dealt with by other legislation. However, if it is considered necessary in light of the evidence on each individual case, conditions may be imposed requiring checks on the equipment to be conducted at specified intervals, and evidence of the checks to be retained. Conditions may also seek to require equipment of particular standards to be maintained on premises.
- 3.14 Special considerations will apply to night clubs and similar venues. Applicants are encouraged to consider the Safer Clubbing Guide published by the Home Office and DCMS, which gives advice on these issues **and any other relevant guides**

Public Nuisance

- 3.15 If relevant representations are made, the authority will consider whether it is necessary to impose conditions to regulate behaviour on the premises and access to them where this relates to licensable activities, and the licensing objectives. Any conditions attached will not seek to manage the behaviour of customers once they are beyond the direct management of the licence holder, their staff or agents, but may seek to reduce the impact of the behaviour of customers entering or leaving the premises on people living or working near to the premises. The council considers that patrons who are using external smoking areas or shelters are there as a direct result of the licensed premises and are within the control of the licensee.
- 3.16 The authority will consider whether issues relating to public nuisance can be effectively dealt with by necessary and appropriate conditions. These conditions will normally focus on the more sensitive periods, for example, noise from premises in the late evening or early morning when residents may be attempting to sleep.
- 3.17 Where applicants are completing operating schedules the authority encourages them to have regard to the location of the proposed or actual premises, and in particular whether

proposals may have a disproportionate impact in dense residential areas or near to sensitive premises such as nursing homes, old people's accommodation, hospitals, hospices or places of worship. Applicants are recommended to consult Environmental Health Services for advice on measures that may need to be incorporated into an operating schedule.

- 3.18 When considering such matters, the authority will have regard to representations made by Environmental Health Services, and by local residents.
- 3.19 The council may consider the following matters:
- Whether doors and windows will or can be kept closed after a particular time.
 - Whether other noise control measures such as acoustic curtains or other speaker mounts are required.
 - The fact that lighting outside the premises may help to prevent crime and disorder, but may give rise to light pollution for neighbours.
 - Signs placed at the exit to buildings can encourage patrons to be quiet until they leave the area, and to respect the rights of residents.
 - The size and location of smoking areas and any facilities provided which may encourage patrons to use the external areas more extensively than for just smoking and returning to the inside of the premises
 - Provision of litter bins in the vicinity of premises serving hot food after 11pm.
 - Display of contact details or a direct telephone link to a private hire/taxi firm.

Protection of children from harm

- 3.20 This authority recognises the Lancashire Safeguarding Children Board as the responsible authority for the protection of children from harm.
- 3.21 The protection of children from harm includes protection from physical and psychological harm.
- 3.22 This authority notes that the admission of children to premises holding a premises licence or club premises certificate should normally be freely allowed unless there is good reason to restrict entry or exclude children completely.
- 3.23 Issues about access of children to premises may give rise to concern:
- where adult entertainment is provided on an occasional basis and is not already licensed under other legislation;
 - where there have been convictions of the current management for serving alcohol to minors;
 - where the premises have a reputation for allowing under-age drinking;
 - where **the premises opens into the early hours**;
 - where premises have a known association with drug taking or dealing;
 - where there is a strong element of gambling on the premises; and
 - where the supply of alcohol consumption on the premises is the exclusive or primary purpose of the services provided.
- 3.24 Such situations can be identified through a risk assessment of the operation. In these circumstances, applicants are advised to consider offering appropriate conditions through their operating schedule. In addition, licensees may identify that the access of

children to particular parts of the premises poses more risk than others, and seek only to exclude children from areas of highest risk **or after certain late hours**.

- 3.25 On receipt of relevant representations, the authority will consider whether conditions are necessary. If conditions are necessary these may include:
- limitations on the hours when children will be present
 - limitation upon the presence of children of certain ages when specified activities are taking place
 - limits on the parts of the premises to which children may have access
 - age limitations
 - limitations or exclusions only when certain activities are taking place
 - requirements for an accompanying adult
 - full exclusion of people under the age of 18 when any licensable activities are taking place
- 3.26 In such cases, representations by the Safeguarding Children Board, **Trading Standards** and the Police will be given considerable weight where they address issues regarding the admission of children.
- 3.27 It is mandatory for premises which sell or supply alcohol to have an age verification policy in place. However, this authority favours the Challenge 25/Check 25 type schemes and such a scheme volunteered as part of an operating schedule will be given the appropriate weight when the authority determines the licence application.
- 3.28 This Licensing Authority is committed to protecting children from harm and supports the programme of underage test purchases arranged by the Lancashire Trading Standards Service, the Licensing Team and Police. Where underage sales are found, the Licensing Authority supports the appropriate and proportionate use of warnings, responsible retail training, fixed penalty notices, reviews and prosecution as a means of promoting the licensing objectives and enforcing the Licensing Act proportionately.
- 3.29 In keeping with the Secretary of State's Guidance the Licensing Sub-Committee will treat underage sales as serious criminal activity and will give consideration to the suspension or revocation of a licence if a review is brought in respect of underage sales.
- 3.40 No condition will be imposed by the council requiring the admission of children to any licensed premises except in the case of exhibition of film where a mandatory condition is applied to all licences with this activity. In the case of a film that has not been subject to classification under Video Recordings Act 2010, we will require the film to be submitted to the Licensing Officers at least 14 days before the proposed exhibition. A certificate will then be given to the film by the Authority and any age restriction imposed must be adhered to.

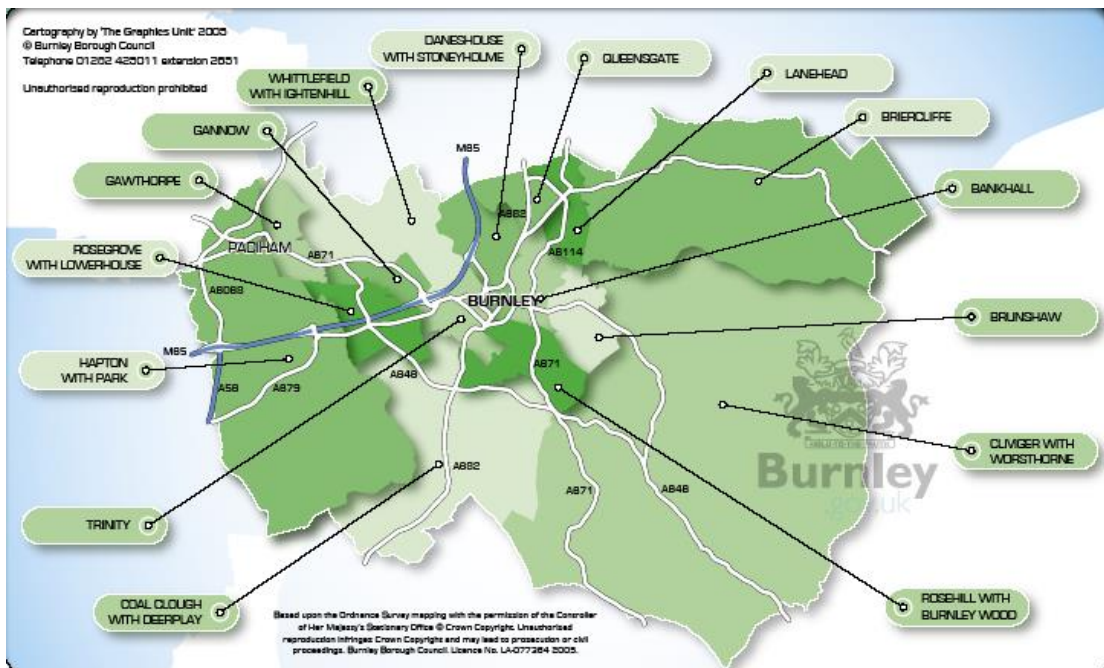
4. LICENSING AUTHORITY PROFILE

- 4.1 Burnley Borough Council is a Licensing Authority under the Act. Authority is delegated to full committee, sub-committees and officers.

4.2 The Policy takes into account the guidance issued under section 182 of the Act. The latest guidance was published by the Home Office in March 2015.

The Borough of Burnley

4.2 Burnley Borough Council is situated in the County of Lancashire and is one of 14 Councils within the County. Burnley has an estimated population of 91,000 contained within an area of 43 square miles. (Information from Census 2011)
 The lifeblood of the area is its industry, which is concentrated in the urban cores of Burnley and Padiham. In post-war years there has been diversification away from textiles to engineering and the newer, technological industries. Much of the Borough is rural in character, and there are 7 parish councils.



4.4 The population profile is illustrated below;

Years of Age	0-14	15-24	25-44	45-64	65+
Percentage of Population	18.4%	12.9%	26.1%	26.3%	16.3%

4.7 The current licensed trade on 1st August 2020 consists of the following premises:

Premises Licences with alcohol	275
Premises licences no alcohol	56
Club Premises with alcohol	15

Total	336
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4.8 Between 24th November 2005 and 1st August 2020, a total of 1142 Personal Licenses have been issued.

5. CUMULATIVE IMPACT

5.1 We will not seek to limit the number of licensed premises simply because any interested party or responsible authority consider that there are enough licensed premises to satisfy demand. Need is a commercial decision for the applicant.

5.2 We will take note of representations from a responsible authority or interested party on the cumulative impact of a saturation of premises in a particular area undermining one or more of the licensing objectives by creating an area of exceptional problems of disorder or nuisance.

5.3 If such representations are made, we will consider adopting a special saturation policy after consultation. We do not at this time envisage a special saturation policy being imposed.

5.4 We will not otherwise impose quotas of licensed premises or artificially restrict trading hours in particular areas.

5.5 The onus will always be on the individual or organisation making the representation to provide sufficient evidence for the assertion that the addition of the premises in question would produce the cumulative impact on the licensing objectives. Once a special saturation policy is in existence, statutory guidance creates a rebuttable presumption against the grant of a licence or a variation of a licence in that area.

5.6 We recognise that a potential cumulative effect of a proliferation of late-night entertainment premises (including night cafes) may result in an increase in numbers of people either walking through or congregating in streets during the night and this in turn may have a number of undesirable consequences, namely:

- An increase in crime against both property and persons in particular in takeaway premises and taxi queues in the vicinity of licensed premises.
- An increase in noise causing disturbance to residents
- Traffic congestion and / or parking difficulties
- Littering and fouling

5.7 We recognise that only a minority of consumers will behave badly and that not all the anti-social conduct will be in the vicinity of premises or within direct control of the licensee. Licensing Policy is only one means of addressing these problems. Other mechanisms include:

- Planning controls
- CCTV
- Provision of transport facilities including taxi ranks
- Designated Public Places Orders
- Police powers

- Closure powers
- Positive measures to create safer, cleaner and greener spaces.
- Voluntary or best practice schemes such as Street Wardens, Street Pastors or Taxi Marshals

5.8 We will take into account:

- The character of the surrounding areas
- The impact of the licence on the surrounding area, both individually and cumulatively with existing licences; and
- The nature and character of the proposed operation
- The size of the premises subject to consideration

6. PLANNING, DEVELOPMENT CONTROL, RESPONSIBLE AUTHORITIES, TOURISM, PUBLIC TRANSPORT, CULTURE, CRIME PREVENTION AND EMPLOYMENT

- 6.1 The council is mindful of the duplication, inefficiency and potential for conflict of interests between the Planning, Environmental Health and Licensing activities and will ensure that the operational functions remain distinct. We will not allow licensing applications to be a re-run of planning applications.
- 6.2 Each relevant committee will provide situation reports relative to licensed premises, to each other, thereby achieving integration between licensing, planning and building control functions, measuring the effect of Licensing Act 2003 policy.
- 6.3 We will not restrict objective consideration of licensing hours applications as a consequence of any hours of premises use restrictions placed upon premises under planning legislation.
- 6.4 Where such planning restrictions exist an objection or application for licence review can be made specifying the appropriate licensing objective(s), which may be undermined by the licensable activities.
- 6.5 In general we will expect that prior to the submission of a licensing application, the appropriate planning permission will have been granted for the use of the premises. We acknowledge the ability of an applicant for a premises licence to seek a provisional statement defined in Section 5.83 – 5.91 of the Section 182 Guidance. Reference is made to Section 11 of this policy.
- 6.7 We will secure proper integration of our licensing policy by openly receiving reports from those organisations and Council departments responsible for crime prevention, tourism, transport, race equality schemes, cultural strategy, town centre management and night time economy. We will reflect upon such submissions and amend this policy where appropriate to do so.
- 6.8 We will monitor the impact of our policy on entertainment, in particular theatrical activity, live music and dancing.
- 6.9 We will, where necessary receive reports from and provide reports to, Lancashire County Council addressing the need to disperse people from town centres swiftly and safely to avoid concentrations which produce disorder and disturbance.

6.10 We will, when required, review the location of Hackney Carriage stands within the Borough to achieve the balance between licensing principles and the principles outlined in Section 6.9 above.

7. LICENSING HOURS

7.1 We will consider each application upon its individual merits and the basis of any application will be the draft-operating schedule. We welcome risk assessment documents being submitted in which the licence applicant will specify how they will support the four licensing objectives.

7.2 Flexible licensing hours will be important to ensure that the concentration of customers leaving premises simultaneously are avoided, minimising the possible sources of friction at fast food outlets and taxi ranks, thereby reducing the potential for violence and disorder and fear of such.

7.3 We will avoid fixed or artificial early closing times, which produce peaks of disorder and disturbance by customers merging into the streets simultaneously. We will balance this with stricter conditions being expected in relation to noise control in areas of dense residential accommodation, particularly later at night or into the early hours.

7.4 However, there is no general presumption in favour of lengthening licensing hours and the four licensing objectives will be paramount considerations at all times. Where there are objections to an application and the committee believes that changing the licensing hours would undermine the licensing objectives, they may reject the application or grant it with appropriate conditions and/or different hours from those requested.

7.5 Shops, stores and supermarkets should normally be free to provide sales of alcohol for consumption off the premises at any times when the retail outlet is open for shopping unless there are good reasons, based on the licensing objectives, for restricting those hours. For example, a limitation may be appropriate following police representations in the case of some shops known to be a focus of disorder and disturbance because youths gather there.

7.6 The hours requested by the applicant will normally be approved where the applicant can show in their risk assessment and operating schedule that the proposal would not adversely affect the environmental quality, residential amenity and character of any particular area or undermine one or more of the licensing objectives.

7.7 Where there is evidence that one or more licensing objectives would be undermined, a responsible authority, authorised person or interested party (Since the introduction of the Policing and Crime Act 2009 the definition of “interested Parties” has been extended to include – “a member of the relevant Licensing Authority”) has the ability to object to the issue or variation of a licence or request a review of an existing licence.

7.8 The onus to provide the evidence will always be on the person or organisation making the objection or review application. This burden of proof will not however apply should there be a special saturation policy in being in relation to the area where the premises are situated.

- 7.9 Where individual premises are a focus for disorder and disturbance then, subject to representations, limitations may be appropriate. Where late hours are requested, particularly involving entertainment, the imposition of further conditions **would** be appropriate.
- 7.10 We will not impose any obligation under the 2003 Act requiring the holder of a premises licence or club premises certificate to remain open for the entire period permitted by his licence or certificate. If, for example, a public house has no trade on a particular evening, the licence holder is entitled to close the premises.
- 7.11 We will however encourage applicants to be realistic in the potential opening hours that they apply for.
- 7.12 We acknowledge that the times when an applicant wishes the premises to be open to the public may not be identical to the hours during which licensable activities may take place.
- 7.13 We ask applicants to note that in the case of the sale by retail of alcohol (or supply of alcohol by or on behalf of a club to, or to the order of, a member of a club) for consumption on the premises, 'consumption' of alcohol is not a licensable activity.
- 7.14 Therefore, the authorised period specified in the premises licence, club premises certificate or temporary event notice relates to the period during which alcohol may be sold or supplied.
- 7.15 It is therefore permissible for premises to allow the consumption of previously purchased alcohol, within the period between the end of the licensable activity of sale or supply of alcohol and the end of time when the premises will be open.

8. EARLY MORNING ALCOHOL RESTRICTION ORDERS (EMROS)

- 8.1 Under Section 172 A to E of the Act, the Licensing Authority has the power to make an EMRO prohibiting the sale of alcohol for a specified period between the hours of 24:00 and 06:00. They are designed to address recurring problems with licensed premises, serious public nuisance and other instances of alcohol-related anti-social behaviour which is not directly attributable to specific premises.
- 8.2 The Licensing Authority will consider evidence that such a decision is appropriate for the promotion of the Licensing Objectives. Consideration will be given to evidence provided by partners, Responsible Authorities and the Local Community Safety Partnership as well as evidence the Licensing Authority has gathered to determine whether an EMRO would be appropriate for the promotion of the licensing objectives. The Licensing Authority will consider the problems that have been identified. A range of evidence may be considered, including local crime and disorder statistics, statistics on anti-social behaviour offences, health related statistics (e.g. alcohol related emergency attendances and hospital admissions, environmental health complaints, complaints recorded by the Council, residents' questionnaires, evidence from local councillors and evidence obtained through local consultation).

8.3 It is acknowledged by the Licensing Authority that an EMRO is restrictive, whilst also being a powerful tool to address recurring problems of alcohol-related crime and disorder, serious public nuisance and alcohol-related anti-social behaviour. Prior to making an EMRO the Licensing Authority will consider whether any other measures (implemented by themselves or with partners) may address the problems that have been identified in particular other measures might include:

- Development of a Cumulative Impact Policy
- Reviewing the licenses of specific problem premises
- Encouraging the creation of business-led practice schemes
- Use of powers of the Council to designate an area where alcohol may not be consumed publicly (Designated Public Places Order)
- The confiscation of alcohol in designated areas
- Police enforcement of the general law concerning disorder and anti-social behaviour
- Prosecution for the offence of selling (or allowing such a sale) alcohol to a person who is drunk

8.4 In taking any decision to make an EMRO, the Licensing Authority will follow the statutory process and will invite representations.

LATE NIGHT LEVIES

8.5 Under Section 125 of the Police Reform and Social Responsibility Act 2011 the Council can adopt a Late-Night Levy, following a consultation process, outlined by the Home Office. It allows the Council to charge an additional fee to any licensed premises that has a licence for the sale of alcohol (on and off sales) after 12 midnight and up to 06:00 in order to cover the additional costs associated with late night alcohol trading. Legislation allows this to start from midnight but it is up to the Council to decide when they wish to apply it.

8.6 Any income raised by the Levy must be split with the local Police force; the Police would receive a minimum of 70% of funds raised and the Council's 30% must be used to fund services which make the late-night economy a more welcoming place.

The Council will consider implementing a Late Night Levy if appropriate.

9. CONDITIONS

9.1 The authority may only impose conditions where relevant representations are made following an application to grant or vary a licence or where a review request is being considered.

9.2 The council recognises that the only conditions that should be imposed on a licence are those which are appropriate and proportionate to the promotion of the licensing objectives. There may be circumstances where existing legislation and regulations already effectively promote the licensing objectives and no additional conditions are required.

9.3 Where conditions are **imposed**, they will be tailored to the individual style and

characteristics of the premises and events concerned.

- 9.4 Applicants are strongly encouraged to make early contact with the appropriate responsible authorities to discuss proposed conditions in advance of the submission of their application to the council.

Dispersal Policies

- 9.5 We will take note of any voluntary dispersal policy at premises and reserve the right to impose dispersal policy conditions upon a licence following relevant representations.
- 9.6 This policy will set out the steps that are to be implemented to disperse customers over an extended period of time specified in the operating schedule. It is intended that customers leave the premises in an orderly fashion without bottles or glasses etc, thereby reducing the potential for conflict within or in the vicinity of the premises.

Excessive consumption of alcohol & Irresponsible drinks promotions

- 9.7 The council is acutely aware of the link between the supply of alcohol that is subject to certain promotions and the possibility of resultant incidents of alcohol related crime and disorder and implications for public safety, public nuisance and the risk of harm to children.
- 9.8 In April 2010 new mandatory conditions came into effect which:
- Ban irresponsible promotions;
 - Ban the dispensing of alcohol directly into the mouth; and
 - Ensure that customers have access to free tap water so that they can space out their drinks and not get too intoxicated too quickly.
- 9.9 The legislation makes it clear that an irresponsible promotion is one that is “carried on for the purpose of encouraging the sale or supply of alcohol for consumption on the premises in a manner which carries a significant risk of leading or contributing to crime and disorder, prejudice to public safety, public nuisance or harm to children”.
- 9.10 The mandatory conditions made under sections 19A and 73B of the 2003 Act (the conditions governing irresponsible promotions, dispensing alcohol directly into the mouth, provision of free tap water, age verification, small measures and the prohibition on sales of alcohol below the permitted price) do not have to be physically included in the licence or certificate but nonetheless will apply to every licence and certificate authorising the sale and supply of alcohol for consumption on the premises.
- 9.11 As a consequence any on-trade premises which fails to comply with these mandatory conditions will be breaching licence conditions and will be dealt with in accordance with this authority’s enforcement policy and protocols and may be subject to a review of their licence.

10. ENFORCEMENT

- 10.1 Enforcement action will be undertaken by properly trained officers of the Licensing Authority outlined in Section 13(2)(a) of the Act and authorised persons defined by Section 13(2) (b to f) of the Act. In carrying out enforcement action we will adhere to the terms of the joint enforcement policy that exists between the Council and Lancashire Constabulary. The authority has adopted the principles of the Hampton Report in its enforcement concordat. Formal enforcement will be a last resort and proportionate to the degree of risk. To this end the key principles of consistency, transparency and proportionality will be maintained
- 10.2 We expect that Designated Premises Supervisors and Personal Licence Holders will ensure that all their staff, including door supervision staff, will be fully trained in the law relating to the rights of entry of authorised persons. We will view obstruction of authorised persons by staff or employed agents of the licensee as a serious matter.
- 10.4 The Licensing Authority has power to institute criminal proceedings in respect of any offence under the Act. We will delegate the authority to institute proceedings in accordance with the Council's Constitution - scheme of delegation. The sufficiency of evidence and public interest criteria will be applied to any decision on prosecution in accordance with the Prosecution of Offences Act. Elected members will be precluded from this decision-making process to enable them to retain independence, should conviction result in a subsequent licence review.

11. VARIATIONS (Minor & Full) & PROVISIONAL STATEMENTS

- 11.1 Both Premises Licences and Club Premises Certificates may be varied under the Licensing Act 2003.
- 11.2 A minor variation is a simplified process with a set statutory fee applicable to all premises and clubs. There is a requirement to advertise the application by displaying a notice on the premises. Decisions on a minor variation are delegated to officers and there is no right to a hearing. The Licensing Authority may consult with any relevant responsible authority on an application for a minor variation and take their views into account.
- 11.3 Minor variations are those which cannot adversely impact on the licensing objectives and generally fall into four categories which are:-
- Minor changes to the structural layout which does not;
 - Increase the capacity for drinking (increasing floor area for patrons drinking etc.)
 - Affecting access or egress (blocking fire exits or escape routes)
 - Impede or remove noise reduction measures at the premises (removing acoustic lobbies etc.)
 - Small adjustments to licensing hours
 - Removal of out of date, irrelevant or unenforceable conditions or the addition of volunteered conditions
 - Addition of a licensable activity where similar activities already exist.

- 11.4 Full variations follow the same procedure as that for a new Premises Licence with the need for advertisement on the premises and in the newspaper in addition to the statutory consultation.
- 11.5 The areas in which a premises licence may be varied include;
- Varying the hours during which a licensable activity is permitted
 - Adding or removing licensable activities
 - Amending, adding or removing conditions within a licence
 - Altering any aspect of the layout of the premises which is shown on the plan.
- 11.6 Where the changes proposed are substantial or involve completely changing the nature of the business, (for example if there is more than a 50% increase in the licensable area) it will be more appropriate to apply for a new premises licence.
- 11.7 In the context of variations, which may involve structural alteration to or change of use of the building, it should be noted that the decision of the licensing authority will not exempt an applicant from the need to apply for planning permission where appropriate.
- 11.8 Where existing premises are being extended or otherwise altered, we will require the licence holder to notify the Licensing Authority, and to apply for a provisional statement, new licence application or variation as appropriate.

Provisional Statements

- 11.3 We recognise that in certain situations businesses and developers need to have security that a premises licence is likely to be granted following construction or alteration of premises. We will issue provisional statements in accordance with Sections 29-32 the Act and Section 182 Guidance.
- 11.5 We will not be responsible for any costs or consequential losses incurred by an applicant who constructs or alters premises without taking advantage of seeking a provisional statement.
- 11.6 When a person applies for a premises licence in respect of premises (or part of the premises or premises which are substantially the same) for which a provisional statement has been made, representations by responsible authorities and interested parties will be excluded in certain circumstances.
- 11.7 These are where:
- the application for a licence is in the same form as the licence described in the provisional statement; and
 - the work in the schedule of works has been satisfactorily completed;
 - given the information provided in the application for a provisional statement, the responsible authority or interested party could have made the same, or substantially the same, representations about the application then but failed to do so without reasonable excuse; and
 - there has been no material change in the circumstances relating either to the premises or to the area in the vicinity of those premises since the provisional statement was made.

11.8 In the context of variations, which may involve structural alteration to or change of use of the building, it should be noted that the decision of the licensing authority will not exempt an applicant from the need to apply for planning permission where appropriate.

12. SPECIAL OCCASIONS

12.1 We will not seek to restrict any National orders made by the Secretary of State as regards any special occasion.

13. DESIGNATED PREMISES SUPERVISORS AND PERSONAL LICENCE HOLDERS.

13.1 A person fulfilling the qualifying conditions who is ordinarily resident within the Council's geographic area will be entitled to apply for a personal licence. The Act prohibits us from accepting applications from persons who ordinarily live outside the area. From the 1st April 2015 existing licence holders and new licences granted are valid indefinitely, this had previously been 10years.

13.2 The Chief Officer of Police has the right to object to a personal licence application where the applicant has been convicted of a relevant offence before or during the application period. During the validity of the licence the Chief officer of Police may not object to a personal licence already granted, but may ask for a review of any relevant premises licence.

13.3 Where, during a period of validity, we receive notice that a personal licence holder has been convicted of a relevant offence, we will notify the Chief Constable thereby allowing that officer to consider an objection to the subject being a designated premises supervisor.

13.4 The holder of a premises licence which includes the sale and supply of alcohol must nominate a Designated Premises Supervisor (DPS). That person will normally have been given day to day responsibility for running the premises. The DPS will also be in possession of a personal licence. The Act does not require the presence of the DPS at all material times. **The expectation is however that the DPS is available to be at the premises, if required, within a reasonable time.**

13.5 The DPS will be readily identifiable on the premises as a person in a position of authority. No sale or supply of alcohol may be made at a time when no DPS has been specified on the licence or at a time when the DPS does not hold a Personal Licence.

13.6 The law requires a responsible person as defined in Section 153 of the Act to be on duty to specifically approve the sale or supply of alcohol by a person under the age of 18 years.

13.7 The Legislative Reform (Supervision of Alcohol Sales in Church and Village Halls etc) Order 2009 amends the Licensing Act 2003 to allow management committees of community premises to make an application for a premises licence or to vary an existing premises licence which includes an application to remove the requirement of a designated premises supervisor and the authorisation of the sale of alcohol by a personal licence holder.

- 13.8 The Order defines “community premises” as a church hall, chapel hall or other similar building, or a village hall, parish hall, community hall or other similar building. It applies also to premises that form part of such buildings.
- 13.9 In most cases it should be clear whether premises meet the “community premises” definition under this part of the Act. However, if there is any doubt, the Licensing Authority will consider each case on its merits, with primary consideration being given as to how the premises are predominantly used.

14. PREMISES LICENCE REVIEWS

- 14.1 Where an application for a review of a premises licence is made, we will inform the public of the application for review in accordance with the regulations made under the Act thereby allowing any other responsible authority, authorised person or interested party to also make application at that time.
- 14.2 We are obliged by law to disregard any complaints made by any person other than a responsible authority, which are vexatious, frivolous, or substantially the same as a previous application made within 1 year.
- 14.3 Following an application for review of a premises licence or objection, we will encourage the parties to a review to mediate via the Licensing Officers in order that appropriate conditions on a licence may be volunteered in a revised operating schedule prior to a hearing by the Licensing Committee or subcommittee wherever possible. Representations can be withdrawn in accordance with the Regulations.
- 14.4 The Violent Crime Reduction Act 2006 has amended parts of the Licensing Act 2003 and now expands police and council powers to deal with problem premises in a more expedient manner.
- 14.5 A new power to carry out summary reviews in serious cases of crime and disorder is brought in at section 53A of the Licensing Act 2003. Where a review application is accompanied by a certificate issued by a senior police officer, the Licensing Authority is required within 48 hours to consider whether it is necessary to take any interim steps pending the completion of the review process. This may include the immediate suspension of the premises licence.

15. CLUB PREMISES CERTIFICATES

- 15.1 The law requires us to be satisfied that a club applying for a club premises certificate are a bone-fide members club. The law requires a number of conditions to be met. These are:
- That, under the rules of the club, persons may not be admitted to membership, or be admitted as candidates for membership, or to any of the privileges of membership without an interval of at least two days between their nomination for membership and their admission;
 - That, under the rules of the club, those becoming members without prior nomination or application may not be admitted to the privileges of membership

without an interval of at least two days between their becoming members and their admission;

- That the club is established and conducted in good faith as a club;
- That the club has at least 25 members;
- That alcohol is not supplied to members on the premises otherwise than by or on behalf of the club.

15.2 To qualify as a club authorised to supply alcohol to its members and guests, the law requires additional conditions to be met. These are:

- The purchase and supply of alcohol by and for the club is managed by a committee made up of elected members of the club all aged over 18 years;
- No arrangements may be made for any person to receive any commission, percentage or similar payment at the expense of the club with reference to purchases of alcohol by the club;
- No arrangements may be made for any person to derive directly or indirectly any monetary benefit from the supply of alcohol to members or guests apart from to benefit the club as a whole or any indirect benefit a person derives by reason of the supply contributing to a general gain for the club as a whole.

15.3 In determining whether a club is established and conducted in good faith, the Licensing Authority, subject to the Council's scheme of delegation, will consider the following matters:

- Any arrangements restricting the freedom of the club to purchase alcohol;
- Any arrangements where the money or property of the club or any gain arising from the running of the club can be used for purposes otherwise than for the benefit of the club as a whole or for charitable, benevolent or political purposes;
- The arrangements for giving members information about the finances of the club;
- The books of account or any other records kept to ensure accuracy of that information;
- The nature of the premises occupied by the club.

15.4 We wish to see local culture flourish, and in cases where genuine members clubs wish to allow the public to use the premises, we will objectively consider applications for the same premises to hold both a premises licence and club premises certificate for different parts of the same premises or the same part of the same premises at different times.

16. PUBLIC INFORMATION

16.1 The Licensing Register will be available for inspection at the Licensing Office during normal office opening hours.

16.2 The Licensing Register and all current applications will be available on the website of the Council. All minutes of Committee and Sub-Committee will be similarly available together with agendas of future meetings.

16.3 We will require the owner of any premises licence to prominently display in the premises a copy of the licence and schedules in order that the public will be made aware that the

premises are licensed, the licensable activities allowed and the name of the designated premises supervisor.

17. TEMPORARY EVENTS

- 17.1 The system of permitted temporary activities is intended as a light touch process, and as such, the carrying on of licensable activities does not have to be authorised by the licensing authority on an application. Instead a person wishing to hold an event at which such activities are proposed to be carried on (the “premises user”) gives notice to the licensing authority of the event (a “temporary event notice” or TEN).
- 17.2 Temporary event notices are subject to various limitations. These are concerned with:
- the number of times a premises user may give a TEN – 50 times in a calendar year for a personal licence holder and five times in a calendar year for other people);
 - the number of times a TEN may be given for any particular premises (15 times in a calendar year that is 1st Jan to 31st Dec);
 - the maximum duration of an event authorised by a TEN is 168 hours (seven days);
 - the maximum total duration of the events authorised by TENs in relation to individual premises (21 days in a calendar year);
 - the maximum number of people attending at any one time (fewer than 500 including staff); and
 - the minimum period between events authorised under separate TENs in relation to the same premises (not including withdrawn TENs) by the same premises user (24 hours).
- 17.3 The most important aspect of the system of temporary event notices is that no permission is required for these events from the council. Only the police or Environmental Health may intervene to prevent such an event or modify the arrangements for such an event.
- 17.4 The police or Environmental Health may issue an objection notice because they believe the event would undermine the one or more of the four licensing objectives set out in the Act. The police or Environmental Health must issue an objection notice within three working days of being notified, but they can subsequently withdraw the notice. The issuing of such an objection notice requires the consideration of the objection by the council at a hearing in the case of a standard TEN. If an objection notice is issued in relation to a late TEN then the TEN is cancelled and licensable activities are not authorised.
- 17.5 Many premises users giving temporary event notices will not have a commercial background or ready access to legal advice. They will include, for example, people acting on behalf of charities, community and voluntary groups, all of which may stage public events to raise funds, at which licensable activities will take place. The council will ensure that local guidance about the temporary permitted activities is clear and understandable and will strive to keep the arrangements manageable and user-friendly for such groups.
- 17.6 There are two types of TEN; a standard TEN and a late TEN. These have different notice periods. A standard TEN is given no later than ten working days before

the event to which it relates; a late TEN is given not before nine and not later than five working days before the event.

17.7 The authority encourages notice providers to give the earliest possible notice of events likely to take place. This is particularly relevant to events which are to take place in the open air or in a temporary structure. Assistance with the planning of events can be provided through the council's Event Safety Advisory Group.

17.8 The council will provide local advice about proper respect for the concerns of local residents; of other legislative requirements regarding health and safety, noise pollution, the building of temporary structures, or other necessary permissions, and of the powers to close down events with no notice on grounds of disorder, the likelihood of disorder or noise emanating from the premises.

18. PROHIBITION OF SALE OF ALCOHOL AT GARAGES OR SERVICE AREAS

18.1 In considering whether premises are prohibited from being granted a premises licence under Section 76 of the Act, we will objectively consider the Guidance issued under Section 182 of the Act, and judge each case on the individual circumstances of the application. We reserve the right to require information from the applicant to prove the primary use of the premises.

19. GAMING MACHINES

19.1 The issue of gaming machine permits in respect of club premises and alcohol licensed premises is dealt with by the Gambling Act 2005 and any policies and/or guidance issued in relation to that Act.

19.2 Compliance with the Gambling Commission's Codes of Practice relating to gaming machines on licensed premises is mandatory.

CONSULTEES

In formulating this policy, the following were consulted.

Lancashire Constabulary
Lancashire Fire and Rescue Service
Lancashire Trading Standards
Lancashire Safeguarding Children's Board
Padiham Town Council
Existing premises licence holders
Local Residents Associations
All local authorities that border the Borough of Burnley Borough Council
British Beer and Pub Association
Solicitors and agents who represent Pub Companies
All Parish Councils within the Borough
Association of Multiple Retailers
British Institute of Innkeeping
Campaign for Real Ale
Drugline Lancashire
Federation of Small Businesses
Health and Safety Executive
Pub companies with premises in Burnley
Social Services
Public Health Authority
All Pub Watch schemes in the District
Police & Crime Commissioner
Member of Parliament for Burnley

EXERCISE AND DELEGATION OF FUNCTIONS

The Authority will exercise and delegate functions in accordance with the following table.

Issue	Full Committee	Sub Committee	Licensing Officer
Application for personal licence		If a police objection	If no objection made
Application for personal Licence with unspent Convictions		All cases	
Application for premises Licence /club premises certificate		If a relevant representation made	If no relevant representation made
Application for provisional Statement		If a relevant representation made	If no relevant representation made
Application to vary premises Licence / club premises certificate		If a relevant representation made	If no relevant representation made
Application to vary Designated premises supervisor		If a police objection	All other cases
Request to be removed As Designated Premises Supervisor			All cases
Application for transfer of a premises licence		If a police objection	All other cases
Application for interim Authority		If a police objection	All other cases
Ensuring an application For Premises licence review is Irrelevant, Repetitious, vexatious or frivolous			All cases
Application to review Premises licence / club Premises Certificate unless All parties agree unnecessary		All cases	
Decision to object when a local authority is a consultee and not the relevant			

licensing authority	All cases
Determination of a police Objection to a temporary Event notice	All cases

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Scrutiny Work Programme 2020/21

<p>Wednesday 10th June 2020</p>	<p>Covid 19 – The Council’s response Reviews for 2020/21 Notice of key decisions and private meetings</p>
<p>Wednesday 1st July 2020</p>	<p>Notice of Key Decisions and Private Meetings COVID 19 review and Housing Review update Work Programme</p>
<p>Monday 21st September 2020</p>	<p>Notice of Key Decisions and Private Meetings Leisure Trust Annual Report – now expected early 2021 due to Covid 2019/20 Treasury Management activity 2019/20 Capital outturn Revenue Monitoring 2020/21 Quarter 1 Capital Monitoring 2020/21 Quarter 1 2019/20 Final Revenue Outturn Covid Community Recovery Strategy Covid Economy Recovery Strategy Single Use Plastics – Executive response to Council Motion Licensing Act 2003 Policy Review Groups Work Programme Private items Contact Centre Dilapidations Burnley College Loan application</p>
<p>Monday 7th December 2020 Budget Scrutiny Panel</p>	<p>NKDPM Resident Satisfaction Survey -(moved to December 2020) Revenue Budget Monitoring Q2 Capital Budget Monitoring - Q2 Fees & Charges Treasury Management Mid-year update Food Delivery Programme (annual update) Health & Safety Delivery Programme (annual update) Half Year performance report Review Groups Work Programme</p>
<p>Thursday 11th February 2021 Budget Scrutiny Panel</p>	<p>NKDPM Revenue Budget Monitoring Q3 Capital Budget Monitoring - Q3 Revenue Budget 2021/22 Capital Budget 2021/22 and Cap Investment Prog 21/22 Treasury Management & Prudential Borrowing. Medium Term Financial Strategy Leisure Trust Annual Report Community Safety Annual Report</p>

	Review Groups Work Programme
Wednesday 17 th March 2021	Notice of Key Decisions and Private Meetings State of the Local Economy (reduced to annual reporting) Review Groups

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