

SCRUTINY COMMITTEE

Wednesday, 9th March, 2022
6.30 pm





SCRUTINY COMMITTEE

ROOMS 2 & 3, BURNLEY TOWN HALL

Wednesday, 9th March, 2022 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 or at the Contact Centre, Parker Lane, 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.

Due to Public Health guidance on social distancing there is a limited capacity for members of the public to attend meetings. You are advised to contact democracy@burnley.gov.uk in advance of the meeting.

AGENDA

1) Apologies

To receive any apologies for absence.

2) Minutes

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

5 - 12

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*

13 - 16

To consider the list of future Key Decisions.

8) *Community Safety Annual Report*

17 - 22

To consider the Community Safety Annual Report.

9) *Leisure Trust Annual Report*

23 - 52

To receive a presentation from Burnley Leisure on their Annual Report.

10) *Scrutiny Review Groups*

To receive an update on the work of any active Scrutiny Review Groups.

11) *Workplan 2022/23*

53 - 54

To consider a draft plan for 2022/23.

MEMBERSHIP OF COMMITTEE

Councillor Howard Baker (Chair)
Councillor Ann Royle (Vice-Chair)
Councillor Gordon Birtwistle
Councillor Charlie Briggs
Councillor Saeed Chaudhary
Councillor Tom Commis
Councillor Scott Cunliffe
Councillor Dale Ferrier
Councillor Alan Hosker

Councillor Martyn Hurt
Councillor Mohammed Ishtiaq
Councillor Arif Khan
Councillor Lubna Khan
Councillor Shbana Khan
Councillor Gordon Lishman
Councillor Sehrish Lone
Councillor Cosima Towneley

PUBLISHED

Tuesday, 1 March 2022

This page is intentionally left blank



SCRUTINY COMMITTEE

BURNLEY TOWN HALL

Thursday, 10th February, 2022 at 6.30 pm

PRESENT

MEMBERS

Councillors H Baker (Chair), A Royle (Vice-Chair), G Birtwistle, C Briggs, S Chaudhary, T Commis, S Cunliffe, D Ferrier, A Hosker, M Hurt, M Ishtiaq, A Khan, L Khan, G Lishman, S Lone and C Towneley

OFFICERS

Lukman Patel	– Chief Operating Officer
Howard Hamilton-Smith	– Head of Finance and Property
Kate Ingram	– Strategic Head of Economy and Growth
Catherine Waudby	– Head of Legal and Democratic Services
Paul Gatrell	– Head of Housing & Development Control
Rob Dobson	– Head of Policy and Engagement
Amy Johnson	– Finance Manager
Peter Stobbs	– Assistant Engineer, Streetscene
Eric Dickinson	– Democracy Officer

IN ATTENDANCE

Councillor Sue Graham-Executive Member for Resources and Performance
Councillor Margaret Lishman- Executive Member for Health and Wellbeing
Councillor Bea Foster-Executive Member for Community and Environmental Services

78. Minutes of the last meeting

The Minutes of the meeting held on 26th January 2022 were approved as a correct record, subject to the following addition to Minute 76 regarding the Private item on Levelling Up Fund within the narrative of the Minute;

“Members expressed concern that if the earmarked sale to UCLAN would not be realised, then all the Council’s eggs will be in one basket”

79. Additional Items of Business

IT WAS AGREED

That the agenda be re-ordered after Item 6 to be followed by the following Items in the order below, before returning to Item 7;

Items 18,19,22,23, and 24.

80. Public Question Time

Ian Chapman addressed Members using a Right To Speak regarding the potential conflict of interest Members may have when sitting on multiple Committees in particular Development Control, Scrutiny, and the Executive, He also enquired about the training for Members to carry out effective decision making in their roles on Committees.

Lukman Patel advised Mr Chapman that he should obtain his own legal advice. Lukman Patel was advising the Committee and the Council.

Lukman Patel indicated that within Local Government Members sometimes wore different hats when sitting on different Committees, Sitting on one Committee does not necessarily exclude the Member from sitting on another Committee apart from a few exceptions (for example an Executive Member cannot sit on Scrutiny) This is part of the machinery of Local Government and in accordance with Government Guidance, and that at all times Members had to have an open mind when considering the relevant issues according to the differing remits of those Committees.

Councillor Towneley advised that at LCC Executive Members did not sit on Statutory Committees and advised that this should be adopted at this Council.

Lukman Patel advised that whilst this was a MSWG issue, the Government Circular issued encouraged an Executive Member to be on the Development Control Committee. This does not create a conflict and this was also reinforced in PAS guidance. Lukman Patel read out the relevant part of the PAS guidance.

The Chair also set out the training requirements for Members as set out in the constitution.

81. Sale of Land at Holme Road (also known as Stoneyholme Recreation Ground)

Ian Chapman was present for this item

Howard Hamilton Smith reported on the proposed sale of land at Holme Road in Burnley.

Members made the following points;

-Residents were not fully consulted on the disposal of the land, it should retain its recreational status, any sale should be carried out on the open market and be revalued, that if realised at less than market value then be scrutinised further, the local community will be further penned in if the proposed sale takes place, and that a cabin should, be considered for the Friends of Clifton Street.

Lukman stated that the level of consultation was above and beyond what was required as set out in Paragraph 8 and reported on the statutory ability to dispose of land at an undervalue of up to £2 Million nature of sales at an undervalue for social or economic reasons. However the proposal here is not to dispose at an undervalue.

IT WAS AGREED

That the report be noted.

82. Migration of Local Land Charges Service to HM Land Registry

Catherine Waudby reported on a proposed Collaboration Agreement and agree a Delivery Plan with Her Majesty's Land Registry (HMLR) to facilitate the migration of the Council's Local Land Charges Service to HMLR.

She indicated that the Council would still carry out CON 29 enquiries which the Council would charge for, and these related to detailed issues such as on the adoption of roads, planning approvals, road improvement, and community assets.

Members made the following points;

-Who would bear the cost of the existing Land Charges Officer.

This would be borne by the Council but there were some compensatory and burden payments available.

IT WAS AGREED

That the report be noted.

83. Exclusion of the Public

Members determined to exclude the public from the meeting before discussion took place on the items of business relating to Minute 85 (Item 23 Lower St James Street Heritage Action Zone), and Minute 84 (Item 24 Sale of Land at Holme Road) on the grounds that in view of the nature of the business to be transacted if the public were present there would be a disclosure to them of exempt information within the meaning of Part VA of the Local Government Act 1972

84. Sale of Land at Holme Road (also known as Stoneyholme Recreation Ground)

This item was the next to be dealt with.

Howard Hamilton Smith reported further on the Sale of Land at Holme Road and referred to Paragraph 9 which contained Private information on the estimated value of the site.

Members further discussed Paragraph 9 of Appendix 2 to the report, and a Motion was put forward by Councillor Martyn Hurt which was seconded by Councillor Scott Cunliffe to ring fence part of the sale money for a cabin for the Friends of Clifton Street. On being put to the vote the motion was lost.

IT WAS AGREED

That the report be endorsed, and that further clarity be obtained from the College regarding the issues referred to in Paragraph 9 of Appendix 2 regarding firming up their commitment to the Friends of Clifton Street to provide a portacabin.

85. Lower St James Street Heritage Action Zone

Kate Ingram reported on proposals to develop a Creative Hub project as part of the Lower St James Street Heritage Action Zone programme.

IT WAS AGREED

That the report be endorsed.

86. Notice of Key Decisions and Private Meetings

Eric Dickinson reported on the most recent 28-day Notice of Key Decisions and Private Meetings which had been published on 14th January 2022 and it was indicated that apart from the items relating to Consultation on SPDs all the items on the Notice, subject to any slippage, were to be considered by Scrutiny.

IT WAS AGREED

That the report be noted

87. Strategic Plan 2022

Rob Dobson reported on the Strategic Plan 2022.

Members made the following points;

-the rural economy needed more emphasis.

IT WAS AGREED

That The report be noted

88. Climate Change Strategy

Paul Gatrell reported on a proposed Climate Change Strategy, including the introduction of a Climate Change Programme Manager and the application for Carbon Literacy Accreditation for the Council.

Members made the following points;

-the strategy needs to be widened out to the rural and agricultural sector

-what would be the role of the Programme Manager

Paul Gatrell stated that it would be to develop the strategy document and work across the Council and its Partners to embed climate change, look for opportunities and implement them

Lukman Patel indicated the role would be to build capacity in the organisation, increase expertise, and bring people together.

-what brand of Electric Vehicles would be used, including its manufacture and product sources

- car driver should not end up penalised especially in areas where public transport was not available

- the strategy was excellent but was at odds with the Local Plan such as grasslands and green open spaces (Paragraph 5.60 of the Strategy) being built on, the strategy keeping flood plains but the Local Plan allowing building and then needing flood defences

-Paragraphs 3.20 and 3.21 of the strategy indicated that the Local Plan took precedence

Paul Gatrell indicated that planning policy developed, that the Local Plan was relatively recently approved in July 2018 and included issues such as economic growth, and that it took into account National Planning policy.

Lukman Patel indicated that the strategy included 7 themes involving issues which went beyond the Local plan

-the strategy had a narrow scope and failed to recognise opportunities such as the built environment, did not provide a baseline carbon footprint either with Council facilities or as a Borough, nor provide a target for net zero carbon, there was a lack of a budget, and Members needed to work together on the strategy

-as a strategy this was not the end point, and the next stage would be to develop the plan

Lukman Patel indicated that measuring the carbon footprint was in the plan and that as it was a huge task further targets would be set based on information gathered. Officers were looking to use the Tyndall Monitoring tool to measure the Council's footprint over the coming year. If Members had any further comments then to share them with Officers, and that the strategy would be reviewed in the future.

It was noted that the draft strategy had been forwarded to all Members in December 2021

-would a relevant SPD for climate change be possibly more appropriate

Lukman indicated that a Clean Air and Climate Change SPD was published in December 2020

-Due to Central Government control there were conflicting problems and contradictions in policy, and local government should be advocating for more influence on decision making and spending as it currently had no power

IT WAS AGREED

That the report be noted.

89. Electric Vehicle Charging Strategy

Peter Stobbs reported on the Council's Electric Vehicle Charging Strategy, and highlighted that the scope had been widened from on street to Council owned off street..

Members made the following points;

-liaison needed with taxis in the short term as most run currently on diesel

Peter Stobbs indicated recently money was targeted for taxis in conjunction with Lancaster Council with rapid charging of 80% within 40 minutes, the intention was to pump prime initially recognising issues of affordability and availability

-could there be interest free loans to help the taxi trade with affordability

- were Council funds provided to private business ethical

- not unusual to provide monetary support to businesses

-need charging points at night-time near homes and as quickly as possible with the 30 proposed sites not sufficient

-what was the cost of charging

Peter Stobbs indicated that it was about twice the charge for public charging compared to at home.

-if the provision of chargers was grant funded, could rent be charged for the use of Council land by the providers

Peter Stobbs indicated that the economics of the strategy would be reviewed periodically.

IT WAS AGREED

That the report be noted.

90. Pay Policy Statement 2022

Lukman Patel reported on the Council's annual Pay Policy statement to be considered by Full Council.

He highlighted that the gender pay gap at Burnley Council had been reversed three years ago and that the position was being maintained. A proposal was also being discussed with

the Unions to increase notice periods for employees between Grades 7-14. This has to be done by Local Agreement due to the NJC notice periods not being considered adequate.

IT WAS AGREED

That the report be noted.

91. Revenue Budget Monitoring Q3 2021/22

Howard Hamilton-Smith reported on Revenue Budget Monitoring Q3 2021/22

Members made the following points;

- was the Covid Reserve of £1.4M ring fenced

Howard Hamilton Smith indicated it was not ring fenced and would be drawn on for staffing and other issues when needed

-Market income was reduced

Howard Hamilton Smith referred to a turnover of tenants, with incentives introduced.

-Cremation and Burial income reduced

Howard Hamilton Smith indicated that due to its seasonal nature and also fluctuations this was calculated over 3 years

-Reduced revenues and benefits court fees

Howard Hamilton Smith indicated this could be claimed back under the Sales, Fees, and Charges Compensation Scheme until the end of Q1 2022/23 when the scheme finishes.

IT WAS AGREED

That the report be noted

92. Capital Budget Monitoring Q3 2021/22

Howard Hamilton- Smith reported on the Capital Budget Monitoring Q3 2021/22 and highlighted reprofiling based on external funding.

Members made the following points;

-the 102k spent on Electric Vehicle charging was highlighted, and that rent was not being charged by the Council on the providers

Howard Hamilton-Smith confirmed that the 102k was grant funded

-when would the Town Hall works be completed

Howard Hamilton- Smith confirmed completion as per the timetable for works by 31st March 2022 and that the maintenance of heritage assets would be highlighted to the public at the relevant time

IT WAS AGREED

That the report be noted.

93. Medium Term Financial Strategy (MTFS) 2023/24-26/27 Including Reserves Strategy

Howard Hamilton-Smith reported on the Medium-Term Financial Strategy (MTFS) 2023/24-26/27 Including Reserves Strategy highlighting uncertainties and underlying risks and including cost assumptions leading to a headline reduction and cumulative budget gap of £3.4M which is 21% of the net 2021/22 budget.

Members indicated the usefulness and clarity of the report.

IT WAS AGREED

That the report be noted

94. Revenue Budget 2022/23 Including Savings Strategy

Howard Hamilton-Smith reported on the Revenue Budget 2022/23 Including Savings Strategy and highlighted the Growth proposals in Appendix 2. He also highlighted the 1.99% Council Tax proposed increase which was the maximum allowed by the Government without requiring a referendum and which the Government assumed when calculating the Council's Grant funding.

IT WAS AGREED

That the report be noted

95. Capital Budget 2022/23 and Capital Investment Programme 2022/27

Howard Hamilton-Smith reported on the Capital Budget 2022/23 and Capital Investment Programme 2022/27

IT WAS AGREED

That the report be noted

96. Treasury Management Strategy 2022/23 and Prudential Treasury Indicators

Howard Hamilton-Smith reported on the Treasury Management Strategy 2022/23 and Prudential Treasury Indicators.

IT WAS AGREED

That the report be noted.

97. Scrutiny Review Groups - Members Update

Councillor Howard Baker declared an Interest in the Calico Working Group and left the room during this part of the item during which Councillor Ann Royle as Vice Chair took the Chair.

Councillor Royle confirmed the work of the Calico Working Group which at its last meeting had agreed with Calico a list of jobs which had been done and which other jobs they were going to do, with a further meeting of the Working Group to take place in 6 months' time.

Members indicated that the work of the Calico Working Group seemed to have fulfilled its objectives and had made genuine progress with the Council's relationship with Calico notwithstanding that there was further work to be done, with potentially an annual item with Calico at Scrutiny Committee in the future.

Members were asked to consider issues suitable for future Review Groups to be considered for the next Scrutiny Committee including consideration of their objectives, outcomes and how this would be achieved.

Lukman Patel indicated that the priority for Officers on Charter Walk was the procurement of a strategic asset manager and operational asset manager, and that a public sector audit was being undertaken.

Officers will look to bring forward a report on Charter Walk to both Scrutiny and the Executive once there is more capacity it may not be timely for a Working Group on this issue, however it was acknowledged that the Committee set its own agenda.

IT WAS AGREED

That the report be noted.

98. Work Programme 2021/22

Eric Dickinson reported on the Work Programme 2021/22.

Members discussed adding the current Annual Monitoring Statement to the next meeting`s agenda.

IT WAS AGREED

That the Work Programme 2021/22 be agreed as reported, subject to the Annual Monitoring Statement be added to the next meeting`s agenda,

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 month of March 2022 onwards, published by 15th February 2022. Due to 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
Planning for Health SPD	To consider a report to seek Members' approval of a draft of the Planning for Health SPD to be issued for formal public consultation	Yes	March 2022	Public	Report setting out the key issues.	Elizabeth Murphy Economy and Growth Planning Policy Manager Executive Member for Economy and Growth
Residential Extensions SPD	To consider a report to seek Members' approval of a draft of the Residential Extensions SPD to be issued for formal public consultation	Yes	April 2022	Public	Report setting out the key issues.	Alec Hickey Housing and Development Control Planning Manager Executive Member for Economy and 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
Approval of the revised Housing Renewal Policy	To consider a report on the Approval of the revised Housing Renewal Policy including new grants such as the Handy Person service for Burnley	Yes	March 2022	Public	Report setting out the key issues.	Clare Jackson Private Sector Housing Manager Executive Member for Housing & Development Control
Play Strategy Review	To review progress with implementing the play strategy	Yes	March 2022	Public	Report setting out key issues and appendix	Simon Goff, Head of Green spaces & Amenities Executive Member for Health and Wellbeing

Meetings of the Executive will be held on the following dates: 14th February, and 16th March 2022. 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 usually held at the Town Hall.

This Notice will be further updated by the following dates: 8th March, and 4th May 2022.

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:"cwaudby@burnley.gov.uk
"mailto:"HYPERLINK "mailto:"

Published: By 15th Febr 2022 HYPERLINK

Community Safety Report 2021-22

REPORT TO SCRUTINY COMMITTEE



DATE	09/03/2022
PORTFOLIO	Community Services
REPORT AUTHOR	Richard Brown
TEL NO	01282 425011 Ext 3375
EMAIL	rbrown@burnley.gov.uk

PURPOSE

1. To provide an update to the Scrutiny Committee of Burnley’s community safety performance as part of the required statutory duty, in accordance with the Crime and Disorder Act 1998.

RECOMMENDATION

2. That the Scrutiny Committee notes the detail of the report.

REASONS FOR RECOMMENDATION

3. The Lancashire Strategic Assessment has been completed for 2022-2025. The strategic priorities for Lancashire are:
 - Domestic abuse
 - Violence
 - Exploitation – criminal and sexual
 - Serious Organised Crime
 - Road Safety
4. Burnley as part of the Pennine Community Safety Steering Group will be part of a process to establish the strategic priorities for Pennine Lancashire, for 2022-2025.
5. Local community safety delivery in Burnley remains the responsibility of the Multi Agency Tasking and Coordinating (MATAC) group which meets monthly and is chaired by Councillor Bea Foster, Executive Member for Community and Environmental Services
6. Local activities and the response of the MATAC group also take into account emerging threats identified through the Partnership Analyst and/or data provided by partner agencies and the community monthly via the partner meetings.

SUMMARY OF KEY POINTS

Community Safety Projects and Activity in Burnley 2021/22

7. All local activities are agreed through the Multi Agency Tasking and Co-ordinating meeting and emerging and predictive threats, such as alcohol related crime in the run up to Christmas are considered. In addition, informing the community of our actions and their responsibilities in reducing crime are a key element in all local activities undertaken.
8. Officers have continued to support both local and Pennine CSP priorities. Thematic groups established across Pennine Lancashire's CSP continue to deliver against local priorities and concerns. Both Pennine and local thematic groups have continued to meet virtually during the Pandemic and make progress. For instance, the low crime and anti-social behaviour Pennine Group is jointly chaired by Joanne Swift, BBC Head of Streetscene and C.I Stephanie Hurst, Lancashire Constabulary.
9. The Safer Streets project has provided two areas in Burnley Wood and Bank Hall with extensive work to reduce the impact of acquisitive crime. As a result of interventions based on home security and alleygating, over 500 properties in the project areas have directly benefitted from the grant. The funding has also provided an extension to the CCTV network and significant green space improvements within the area. External evaluation of the scheme is being undertaken by Central Govt. and will be available later in the year.
10. 7 new alleygate schemes have been selected for installation this year. The new schemes will be in Gawthorpe, Trinity, Daneshouse with Stoneyholme, Rosehill with Burnley Wood, and Queensgate.
11. Through the co-ordination that MATAC and the Youth Panel provides, youth service partners are proactive in targeting outreach resources in areas of concern. Partner agencies range from statutory agencies such as Lancashire County Council's Children & Family Wellbeing Service (CFW) to third sector and community based providers such as Participation Works (Youth Bus) and Burnley Boys and Girls Club. Where appropriate, local partners will also use Staysafe Operations to address hotspot areas where youth related ASB is an issue.
12. Domestic Abuse training. A programme of interactive, theatre-based, awareness raising sessions have been developed to refresh the Council's approach to domestic abuse. This work commenced prior to lockdown and, due to restrictions, was put on hold. The training will now be completed in 2022.

13. The Council has gained White Ribbon accreditation demonstrating its commitment to standing against violence against women and girls. The Council continues to support pan-Lancashire work to raise awareness of domestic abuse.
14. The Council continues to make strong progress in its response to the priorities within the revised Domestic Abuse Act (2021). Working within a County Group and in partnership with the County Council and other key stakeholders, the Council is currently working on the requirements within the Act that is known as the Part 4 Regulations. The Regulations require local authorities to review the provision of safe accommodation for victims and their children. During 2021, the Council received £31k of funding from Central Government and working in partnership with Safenet our local Domestic Abuse Provider we are looking to develop key roles that will strengthen the community outreach services for victims and their families from early 2022.
15. The Youth panel continues to bring together statutory agencies and youth service providers to co-ordinate youth activity across the borough and address youth related anti-social behavior. The work of the group has continued throughout the pandemic
16. The Town Centre Offender Group coordinates targeted work against prolific shoplifters, aggressive beggars, and other anti-social individuals affecting the town centre. Through coordinated work the group have been able to obtain restrictive orders against some of the most problematic individuals, helping to create a more pleasant environment for businesses and members of the public alike.
17. Prolific, high risk offenders are being targeted through the expanded Police Managing Sexual Offenders and Violent Offenders (MOSOVO) unit. Local districts form the Pennine Lancashire screening panel and with partners from the police, probation services, and drug and alcohol services, identify candidates to be included on the enhanced project.
18. As part of the review through the Scrutiny Committee a brief overview of crime and anti-social behaviour performance for the Borough is provided.

As a consequence of the Covid 19 pandemic and associated lock downs, 2020 saw marked decreases in many crime categories. For example, domestic burglary, which saw a decrease of nearly 30%. As lockdown restrictions were relaxed during 2021, crime rates rose again to a level comparable to 2019 with a slight increase of 2.35 on all crime. Of note, all burglary crime remains 43.89% below pre pandemic levels.

Conversely, as restrictions have lifted and the covid related offences and powers have been suspended, overall anti-social behaviour reports to the police have reduced. They do however remain above the period immediately before the pandemic struck and localised issues remain.

Proposed activity for 2022/23

19. The town centre Public Space Protection Order will be due for renewal 2022. A working group with membership of key stakeholders will review the performance and appropriateness of the existing order and oversee the consultation and implementation of a new PSPO.
20. A coordinated programme of alleygate review has commenced and will continue during 2022/23 to identify schemes that are not meeting the expected standards of usage.
21. A further roll-out of alley gating with approximately 6 new schemes to be identified from existing applications.
22. Continue to support the development and delivery of key, pan-Lancashire, strategies around reducing reoffending, violence reduction and knife crime, as well as locally defined priorities through Pennine Lancashire CSP and MATAAC.
23. In response to localised youth ASB matters and as part of a process of continual review of local delivery, partners, led by the Burnley Council and Burnley Police, will establish a dedicated ASB panel. This working group will follow the ASBRAC (Anti-Social Behaviour Risk Assessment Conference) model and will be delivered in parallel to the Borough's MATAAC Group and will be chaired by a senior police officer and include officers from local statutory and third sector partners.
24. The proposed priorities and activities mirror and reflect the priorities set out by Lancashire's Policing and Crime Plan that was launched at the end of 2021.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

25. Community Safety delivery has remained pro-active over recent years with strong partnership arrangements in place, collaborative and funding opportunities continue, wherever possible to be sought to support activities.

POLICY IMPLICATIONS

26. The Strategic Assessment will be reviewed annually with a full assessment to be carried out in 2022 overseen by the Pennine CSP.

DETAILS OF CONSULTATION

27. None

BACKGROUND PAPERS

28. None

FURTHER INFORMATION

PLEASE CONTACT: Richard Brown Community Safety Officer Ext 3375

ALSO: Joanne Swift, Head of Streetscene x7301

This page is intentionally left blank

Agenda Item 9

REGISTERED COMPANY NUMBER: 08737838 (England and Wales)
REGISTERED CHARITY NUMBER: 01158520

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021
FOR
BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**



Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson

Lancashire
BB9 9XY
Page 23

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021**

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 10
Statement of Financial Activities	11
Balance Sheet	12 to 13
Cash Flow statement	14 to 15
Notes to the Financial Statements	16 to 27

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2021**

The trustees who are also directors of the company for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2021. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08737838 (England and Wales)

Registered Charity number

01158520

Registered office

St Peters Centre
Bank Parade
Church Street
Burnley
Lancashire
BB11 2DL

Trustees

Mr A Preston
Dr S Minten
Mr T Hephrun
Mrs J Baldwin
Mrs D Livesey
Mr W Rashid
Mr N Tranmer
Mrs B Foster (Appointed 2nd September 2020)
Cllr H Baker
Cllr A Newhouse (Resigned 28th May 2020)
Mrs H Tyson

Role

Chairman

Key Management Personnel

Mr G Vinton
Mr P Foster
Mr M Dempsey
Mr S Bryce

Role

Chief Executive
Deputy Chief Executive / Head of Development
Head of Hospitality
Head of Leisure Operations

Auditors

Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

Bankers

HSBC Bank PLC
12 Manchester Road
Burnley
Lancashire
BB11 1JH

Solicitors

Winckworth Sherwood LLP
Minerva House
5 Montague Close
London
SE1 9BB

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company was incorporated on 17th October 2013 and registered as a charity on 10th September 2014. The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a company, limited by guarantee, as defined by the Companies Act 2006. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The Board shall consist of at least three and not more than eleven individuals, comprised as follows:

- two Employee Trustees;
- up to two Local Authority Trustees; and
- up to seven Community Trustees

The Community Trustees shall at all times be in the majority. These trustees shall be elected with necessary expertise co-opted where appropriate by the existing trustees. When considering co-opting trustees, the Board has regard to the requirement for any specialist skills needed.

Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to ensure regular reports are produced and that the necessary steps can be taken to address any issues arising.

Burnley Leisure is a registered charity operating within a company limited by guarantee. The board of trustees has the authority to co-opt individuals with relevant expertise where appropriate.

Organisation structure

The Board currently consists of ten trustees and is responsible for key policy decisions and the effective governance of the organisation overall. The Board has a minimum of six meetings per financial year.

The day to day operations of Burnley Leisure are managed by the charity's senior management team (the Executive) made up of the Chief Executive and four Service Managers. The Executive is given strategic direction by a Board of Trustees (the Board) regarding the provision and operation of the services in accordance with the contracts, leases and funding agreements made with Burnley Borough Council. The Board has ultimate responsibility for the governance of the charity, and directs, supports and challenges the Executive in its work.

Related parties

Trustees are required to declare an interest if they are involved in any activities which may compromise their role as a trustee and a monitoring mechanism is in place. The related party transactions during the past year have been disclosed below in the notes to the financial statements.

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2021**

OBJECTIVES AND ACTIVITIES

Burnley Leisure has been established for Public Benefit:

- To provide or assist in the provision of both indoor and outdoor facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such by reason of their youth, age, infirmity of disability, financial hardship or social circumstances or to the public at large with the object of improving their conditions of life; and/or
- To promote community participation in Healthy Recreational Activities; and/or
- To provide or assist in the provision of community facilities to be available to all sections of the community without distinction, including the use for meetings, lecture and classes and/or other forms of recreation and leisure time occupation with the object of improving the conditions of life for all those who use the facilities; and/or
- To advance the education of the public in all aspects of dramatic art through the provision of a theatre; and/or
- Such other charitable purposes as the trustees in their absolute discretion may determine

Public benefit

The trustees are confident that the charity offers services of real and practical use to the local population and therefore complies with the responsibility placed on all charities under the Charities Act 2011 to demonstrate a public benefit.

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2021**

ACHIEVEMENTS AND PERFORMANCE

2020/21 will be remembered as the year that the whole world was turned upside down and it seemed that nothing would be the same again. The effect on us was massive and the highs and lows throughout this time were off the scale. To make sense, this narrative is broken down into four quarters and a paragraph showing the amazing work our team did with Burnley Together as a major strategic partner.

April to June 2020 – First Lockdown

Along with everyone else this was our first experience of lockdown; we had no concept of how long this would be for, and we naively thought that we'd be back open and operating in a matter of weeks. As we know it quickly became apparent that this was worse than we had all anticipated. Our income stopped overnight, and all expenditure stopped apart from staffing costs, our early predications were that the money would run out by September and that something needed to happen. Fortunately, the Job Retention Scheme (Furlough) came to the rescue and all staff were put onto it apart from a small core team to keep the business afloat, staff responded immediately and volunteered with Burnley Together to deliver food, medicines, etc. to the people of Burnley.

July to September 2020 – Re-opening?

Full lockdown ended but many restrictions stayed in place which placed barriers in terms of people returning to our facilities and services. The change to a flexible Job Retention Scheme assisted, but costs began to rise with very little income coming in through the doors. The Council were in the same position and could not therefore commit to supporting the Trust. Looking back this was the darkest period and the time where our continued existence was in doubt. For a period, we started to look at the real possibility of insolvency by the end of 2020. Staff returned to some of the health and wellbeing services and contacted clients over the phone, whilst staff at the Mechanics were busily re-arranging shows two or three times due to the continued restrictions meaning the Theatre would have to remain closed for the foreseeable future.

October to December – Second Lockdown

Things started to pick up usage was increasing but income was still low due to restrictions and the Tier system meant that Burnley and much of the North-West were in the tightest restrictions. Our application to the Cultural Recovery Fund from the Arts Council was successful and this meant that the future for the Mechanics was secured until the end of March 2021. Changes within the Council meant that support was now secured and that access to central Government grants was streamlined, and this became a regular source of income. Then in November 2020 a second month long lockdown was implemented, this ended our small recovery and staff were immediately returned to furlough. Although we re-opened in December, we did so with further restrictions and kept most staff on furlough. The news before Christmas that a further lockdown would happen in the new year ended any thoughts of a recovery in the early part of 2021.

January to March 2021 – Third Lockdown

We entered the new the new year again under lockdown with all staff on flexible furlough apart from staff at the Mechanics who were funded through the Cultural Recovery Fund. In conjunction with the Council, we made an application to the National Leisure Recovery Fund administrated by Sport England, again we were successful and thankfully have been able to move the full amount into the 2021/22 financial year to offset anticipated deficits as we try to recover the business. During this period, we again had no facilities open and no revenue coming in apart from Job Retention Scheme, Government Grants and Grants from previous applications however, we continued to survive and began to position ourselves for the challenges ahead.

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2021**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

The commitment of the Trustees to the staff of the Trust was outstanding throughout the year, they authorised full pay to all contracted staff including pension and national insurance contributions and ensured that casual staff received the full 80% we were able to claim under the Job Retention Scheme. Good stewardship of the finances ensured that all payments were made to HMRC and that no loans were entered into to keep the business afloat. The Council supported us by not taking payment for the Service Level agreement as we used little during the year and they could claim 75% back from Government as loss of income. The partnership improved during the year, but work will need to continue to strengthen and refresh the relationship.

On a positive note, the downtime from constant operations offered us a period of reflection and review. We looked at all parts of our business including staffing structures, programmes, partnerships, etc. and started to implement changes to make us more sustainable going forward. This has included a partnership with Blackburn with Darwen Council to programme the Mechanics and taking over the business of Bistro 197 and integrating into our hospitality business. We also created a wish list of refurbishments and new equipment to purchase to invest in our business if funding allowed. This has resulted in refurbished toilets at the Mechanics, a new layout at the 1955 Kitchen and Bar at Prairie Sports Village and new signage and uniform with our new logo's.

Our work with Burnley Together showed our commitment to our local community. Our furloughed staff joined as volunteers and delivered food parcels, medicines and at Christmas presents, for children, teenagers and adults with some presents unwrapped so that parents could still have the joy of wrapping them (we did supply the paper and sticky tape). We produced hundreds of hours of fitness workouts and cooking demonstrations and put them online for the whole community to use not just our members and as already highlighted opened our facilities as soon as we could to get people back and active. We look forward to developing the partnership further over the coming years.

Although the financial figures tell a story the impact on usage is even more stark. In 2019/20 the Mechanics welcomed over 35,000 people to shows in 2020/21 this reduced to zero, Christmas Party nights had attendance of 1800 people in 2019/20 again in 2020/21 this was zero. Fitness Memberships had just hit the highest ever in February 2020 of 4,034 by March the following year this had dropped to 2,518 and of this number nobody was paying.

This is a journey that no-one will want to repeat, but it has brought all staff from all sections of the organisation closer together. Staff have felt valued and have returned our commitment to them with a renewed commitment back to the Company. The coming year will be about recovery, but also a renewed purpose and vigour. 2021/22 will continue to be difficult and challenging but we will continue to meet the challenge and put Burnley Leisure and Culture back where it belongs.

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2021**

FINANCIAL REVIEW

The attached statement of financial activities shows how our funds were raised and applied during the year.

This statement separates funds, which the charity itself controls – unrestricted funds, from funds which have to be spent in a manner determined by the donor – restricted funds. In this year restricted funds have been received from various grant making bodies.

Looking to the future we will continue to maintain a tight control over costs, monitor income closely, and strive to identify future funding streams. We aim to ensure that we are well placed to react to any further negative or indeed positive impact of the economy.

Investment policy

The trustees regularly monitor the available cash reserves of the charity and seek to maximise the interest earned on such funds.

Reserves policy

The charity has insufficient reserves to ensure that it can deal with major unexpected adverse developments without direct support from Burnley Borough Council. The trustees maintain a regular dialogue with the Council to ensure that, should major unexpected adverse developments arise, any difficulties that require attention are addressed in a mutually agreeable manner.

The trustees are confident that the charity has established diversity of operations, sufficient versatility and control of expenditures of such nature that it is able to adapt to changing circumstances that will arise from time to time under normal business circumstances.

The trustees have considered the current adverse economic climate when reviewing their reserves policy and are confident, in light of the changes planned, that the charity is sufficiently robust and able to continue operating normally whilst it seeks to achieve these targets.

At the year end the charity had unrestricted reserves of £435,993 and restricted reserves of £372,825. In addition to these reserves the pension scheme was in deficit by £4,919,000.

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2021**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP and FRS 102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Ainsworths Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
Mr A Preston
Trustee

Date: 6th September 2021

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

Opinion

We have audited the financial statements of Burnley Leisure (the 'charity') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to the Report of the Trustees, Accounting Policies and Note 21, which all highlight the impact which Covid-19 has had on the charity and its expectations for the future. The trustees have concluded that the charity is a going concern, however these events mean a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information in the Report of the Trustees, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page seven, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having made enquiries of management about their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and local tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements, but compliance with which may be fundamental to the company's ability to operate.

Audit response to risks identified

As a result of performing the above our procedures to respond to the risks identified included the following:

- reviewing the financial statements disclosure and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management about actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Sunter (Senior Statutory Auditor)
for and on behalf of Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

Date: 6th September 2021

BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total Funds £
INCOME					
Income from charitable activities					
Grant income	2	1,734,026	413,865	2,147,891	572,516
Operation of leisure and arts facilities	3	<u>1,630,717</u>	<u>20,377</u>	<u>1,651,094</u>	<u>3,936,888</u>
Total income		3,364,743	434,242	3,798,985	4,509,404
EXPENDITURE					
Raising funds	4	317,810	-	317,810	399,420
Charitable activities					
Operation of leisure and arts facilities	5	2,868,174	245,335	3,113,509	4,183,429
Other					
Balance of pension scheme operating charge	19	312,000	-	312,000	584,000
Net interest on pension scheme liability	19	<u>71,000</u>	<u>-</u>	<u>71,000</u>	<u>66,000</u>
Total expenditure		3,568,984	245,335	3,814,319	5,232,849
NET EXPENDITURE		(204,241)	188,907	(15,334)	(723,445)
Other recognised gains and losses					
Pension scheme actuarial (loss)/gain	19	<u>(1,293,000)</u>	<u>-</u>	<u>(1,293,000)</u>	<u>54,000</u>
NET MOVEMENT IN FUNDS		(1,497,241)	188,907	(1,308,334)	(669,445)
RECONCILIATION OF FUNDS					
Total funds brought forward		(2,985,766)	183,918	(2,801,848)	(2,132,403)
TOTAL FUNDS CARRIED FORWARD		<u>(4,483,007)</u>	<u>372,825</u>	<u>(4,110,182)</u>	<u>(2,801,848)</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure are derived from continuing activities.

BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
AT 31ST MARCH 2021

	Notes	31.3.21 £	31.3.20 £
FIXED ASSETS			
Tangible assets	10	-	-
Investments	11	-	2
		-	2
CURRENT ASSETS			
Stock	12	76,361	65,630
Debtors	13	256,571	84,076
Cash at bank and in hand		875,415	732,799
		1,208,347	882,505
CURRENT LIABILITIES			
Amounts falling due within one year	14	(399,529)	(441,355)
		808,818	441,150
NET CURRENT ASSETS			
		808,818	441,152
TOTAL ASSETS LESS CURRENT LIABILITIES			
		808,818	441,152
NET ASSETS EXCLUDING PENSION DEFICIT			
		(4,919,000)	(3,243,000)
PENSION SCHEME DEFICIT	19		
		(4,110,182)	(2,801,848)
NET LIABILITIES INCLUDING PENSION DEFICIT			
FUNDS			
Unrestricted funds	17	435,993	257,234
Restricted funds	18	372,825	183,918
Pension scheme deficit		(4,919,000)	(3,243,000)
TOTAL FUNDS		(4,110,182)	(2,801,848)

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH 2021**

The trustees have prepared the accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard 102 (effective 1st January 2015).

The financial statements were approved by the Board of Trustees on 6th September 2021 and were signed on its behalf by:



.....
Mr A Preston
Chairman

BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2021

	Notes	31.3.21 £	31.3.20 £
Cash flows from charitable activities			
Cash generated from activities	1	<u>142,616</u>	<u>(33,362)</u>
Net cash from charitable activities		<u>142,616</u>	<u>(33,362)</u>
Cash flows from financing activities			
Capital repayments in the year		<u>-</u>	<u>-</u>
Net cash from financing activities		<u>-</u>	<u>-</u>
Increase/(decrease) in cash and cash equivalents		<u>142,616</u>	<u>(33,362)</u>
Cash and cash equivalents at the beginning of the year	2	<u>732,799</u>	<u>766,161</u>
Cash and cash equivalents at the end of the year	2	<u>875,415</u>	<u>732,799</u>

BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2021

1. RECONCILIATION OF DEFICIT TO CASH GENERATED FROM ACTIVITIES

	31.3.21	31.3.20
	£	£
Deficit for the year	(1,308,334)	(669,445)
Depreciation charges	-	10,000
Loss of disposal of investment assets	<u>2</u>	<u>-</u>
	<u>(1,308,332)</u>	<u>(659,445)</u>
Increase in stocks	(10,731)	(4,328)
Decrease/(increase) in trade and other debtors	(172,495)	94,006
(Decrease)/increase in trade and other creditors	(41,826)	(59,595)
Increase in pension scheme liability	1,676,000	596,000
	<u>142,616</u>	<u>(33,362)</u>
Cash generated from charitable activities	<u><u>142,616</u></u>	<u><u>(33,362)</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st March 2021

	31.3.21	1.4.20
	£	£
Cash and cash equivalents	<u>875,415</u>	<u>732,799</u>

Year ended 31st March 2020

	31.3.20	1.4.19
	£	£
Cash and cash equivalents	<u>732,799</u>	<u>766,161</u>

1. ACCOUNTING POLICIES

Company information

Burnley Leisure is a charitable company, limited by guarantee, registered in England and Wales. The charity's registered number and registered office address can be found on the Company Information page. Each member's personal liability is limited to an amount not exceeding £1.

Basis of preparing the financial statements

The financial statements have been prepared in accordance with applicable accounting standards.

The financial statements have been prepared on a going concern basis which assumes that the company will be able to meet its liabilities as they fall due. The related party, Burnley Borough Council, have confirmed their support to the charity by the offer of financial support in the following financial year. They have continued the provision of grant support and continued support of the charity in its cash flow requirements. Accordingly, the trustees have concluded that it is appropriate for these financial statements to be prepared on the going concern basis.

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Burnley Leisure meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income is the amount derived from ordinary activities, and stated after trade discounts, other sales taxes and net of VAT.

Grants receivable are accounted for when due. Income is deferred when it is received in advance of the period to which it relates.

Investment income is recognised on a receivable basis.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management and administration of the charity.

All support costs are allocated between the activity expenditure categories on a basis designed to reflect the use of the resources. Support costs are apportioned on an appropriate basis e.g. time spent, floor areas, or estimated usage.

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021**

1. ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures and Fittings - 20% on cost

Fixed assets

The financial statements do not include the cost of land, buildings and equipment used at nominal rent by Burnley Leisure Trust, whose title rests with Burnley Borough Council. It is not practicably possible to attribute a value to this benefit.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity participates in a defined benefit scheme. Although the scheme is a multi-employer scheme it is possible to allocate a share of the assets and liabilities to the charity and hence contributions are accounted for as a defined benefit scheme in accordance with FRS 102.

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowances for slow and obsolete items.

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at transaction price.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The major item in the financial statements where these judgements and estimates must be made is in relation to the pension scheme. Management consult with experts to provide appropriate assumptions on which to calculate projected funding position for the scheme. Details of the assumptions within the calculations to derive the net value of the pension fund are shown within note 19.

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021**

1. ACCOUNTING POLICIES (CONTINUED)

Significant judgements and estimates (continued)

Since February 2020 there has been substantial volatility in financial markets around the world in relation to the COVID-19 pandemic, and while this has reduced in recent months, the potential for further volatility remains. This may have consequences for asset values, and this will be reflected in the 2020/21 accounting figures. Over the same period, the market volatility has also extended to corporate bonds, and after an initial spike we have seen the yields on AA-rated corporate bonds reduce from previous levels. As the discount rate for accounting purposes is based on corporate bond yields, this will also impact on accounting liabilities. Finally, there has been an impact on market-implied RPI over the period, although this will in part be related to the consultation on RPI reform and demand for gilts, rather than any fundamental shift in expectations.

2. GRANT INCOME

	31.3.21	31.3.20
	£	£
Job Retention Scheme Grant	1,079,445	-
Arts Council England	336,600	28,252
Burnley Borough Council	256,987	-
Local Authority COVID Grants	250,381	-
Sport England	96,974	5,000
Burnley, Pendle and Rossendale CVS	47,500	18,090
Clinical Commissioning Group	30,000	-
Lancashire County Council	28,883	-
Community Foundation	8,000	-
Canal and River Trust	5,071	-
Stocks Massey	5,000	9,000
Lancashire Care	3,050	-
LCC Public Health	-	411,160
Sponsorship	-	67,292
Partner contributions	-	17,382
Up & Active	-	8,340
Mechanics Heritage	-	5,000
Curious Minds	-	3,000
Total	<u>2,147,891</u>	<u>572,516</u>

In 2020, of the total grant income, £557,512 was restricted and £15,004 was unrestricted funds.

3. CHARITABLE ACTIVITIES – OPERATION OF FACILITIES

	31.3.21	31.3.20
	£	£
Burnley Borough Council annual contract fee	529,634	449,078
Income from the operation of leisure and arts facilities	<u>1,121,460</u>	<u>3,487,810</u>
	<u>1,651,094</u>	<u>3,936,888</u>

In 2020, of the total charitable activities income, £nil was restricted and £3,936,888 was unrestricted funds.

BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

4. RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 31.3.21 £	Total 31.3.20 £
Staff costs and allowances	218,798	-	218,798	236,446
Premises expenses	19,347	-	19,347	11,627
Services and supplies	52,383	-	52,383	107,102
Transport expenses	1,807	-	1,807	1,471
Agency and contracted services	-	-	-	17,087
Business and technical support (see note 6)	<u>25,475</u>	-	<u>25,475</u>	<u>25,687</u>
	<u>317,810</u>	-	<u>317,810</u>	<u>399,420</u>

In 2020, of the total costs raising funds, £nil was restricted and £399,420 was unrestricted funds.

5. COSTS OF CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 31.3.21 £	Total 31.3.20 £
Staff costs and allowances	1,969,183	221,718	2,190,901	2,613,851
Premises expenses	174,122	1,136	175,258	117,025
Supplies and services	471,247	22,340	493,587	995,619
Transport expenses	16,260	141	16,401	17,812
Agency and contracted services	-	-	-	187,089
Business and technical support (see note 6)	231,512	-	231,512	246,183
Governance costs (see note 6)	<u>5,850</u>	-	<u>5,850</u>	<u>5,850</u>
	<u>2,868,174</u>	<u>245,335</u>	<u>3,113,509</u>	<u>4,183,429</u>

In 2020, of the total costs of charitable activities, £591,110 was restricted and £3,592,319 was unrestricted funds.

Included in the above are governance and support costs. These costs have been allocated using an element of judgement as the charity has had to consider the cost/benefit of detailed calculations and record keeping. Therefore, support costs have been allocated accordingly to proportion of direct costs incurred within each charitable activity.

6. GOVERNANCE AND SUPPORT COSTS

	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total Funds £
Business and technical support	256,987	-	256,987	271,870
Audit services	5,000	-	5,000	5,000
Non-audit services	<u>850</u>	-	<u>850</u>	<u>850</u>
	<u>262,837</u>	-	<u>262,837</u>	<u>277,720</u>

In 2020, of the total governance and support costs, £15,000 was restricted and £262,720 was unrestricted funds.

BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

7. NET OUTGOING RESOURCES

Net resources are stated after charging:

	31.3.21	31.3.20
	£	£
Auditors remuneration	5,850	5,850
Depreciation	<u>-</u>	<u>10,000</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

Trustees' Remuneration

During the year remuneration of £34,650 (2020: £49,365) was paid to one (2020: two) employee trustee, in relation to their employment duties. These payments are authorised by the Articles of Association. No trustees received remuneration for their roles as trustees for the year ended 31st March 2021 nor for the year ended 31st March 2020.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31st March 2021 nor for the year ended 31st March 2020.

9. STAFF COSTS

	31.3.21	31.3.20
	£	£
Wages and salaries	1,980,568	2,345,936
Social security costs	142,311	163,423
Other pension costs	270,348	219,507
	<u>2,393,227</u>	<u>2,728,866</u>

The average monthly number of employees during the year was as follows:

	31.3.21	31.3.20
Employees	<u>150</u>	<u>165</u>

Employees earning more than £60,000 during the year:

	31.3.21	31.3.20
£60,001 - £70,000	<u>1</u>	<u>1</u>

The above staff member participated in the defined benefit pension scheme. Contributions of £10,325 (2020: £7,472) were made in relation to this individual.

The above staff member represents the key management personnel for the charity.

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021**

10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1st April 2020	50,000
Additions	-
At 31st March 2021	<u>50,000</u>
DEPRECIATION	
At 1st April 2020	50,000
Charge for year	-
At 31st March 2021	<u>50,000</u>
NET BOOK VALUE	
At 31st March 2021	<u>-</u>
At 31st March 2020	<u>-</u>

11. FIXED ASSET INVESTMENTS

Investments comprise the cost of the investment in the subsidiary undertaking. Details of the subsidiary undertaking are as follows:

<u>Name of company</u>	<u>Proportion of nominal value of issued shares held</u>	<u>Principal Activity</u>
Burnley Leisure Trading Limited	100% Ordinary shares	Dormant

This company was dissolved on 22nd December 2020.

12. STOCK

	31.3.21	31.3.20
	£	£
Leisure centre stock	11,533	4,732
Townley golf stock	18,862	15,377
Bar and catering	<u>45,966</u>	<u>45,521</u>
	<u>76,361</u>	<u>65,630</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade debtors	249,552	67,557
Prepayments and accrued income	2,172	14,892
Other debtors	<u>4,847</u>	<u>1,627</u>
	<u>256,571</u>	<u>84,076</u>

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade creditors	185,608	206,484
Taxation and social security	-	12,252
Accruals and deferred income	<u>213,921</u>	<u>222,619</u>
	<u>399,529</u>	<u>441,355</u>

15. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	31.3.21	31.3.20
	£	£
Expiry date:		
Within 1 year	21,319	21,047
Between one and five years	<u>34,186</u>	<u>53,208</u>
	<u>55,505</u>	<u>74,255</u>

16. ANALYSIS OF NET LIABILITIES BETWEEN FUNDS

	Unrestricted	Restricted	31.3.21	31.3.20
	funds	funds	Total	Total
	£	£	£	£
Fixed assets	-	-	-	2
Current assets	835,522	372,825	1,208,347	882,505
Current liabilities	(399,529)	-	(399,529)	(441,355)
Pension scheme deficit	(4,919,000)	-	(4,919,000)	(3,243,000)
	<u>(4,483,007)</u>	<u>372,825</u>	<u>(4,110,182)</u>	<u>(2,801,848)</u>

**BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021**

17. UNRESTRICTED FUNDS

	Pension deficit £	General funds £	Designated funds £	Total funds £
Balance at 1 st April 2020	(3,243,000)	197,834	59,400	(2,985,766)
Net income / (expenditure)	(1,676,000)	4,550	174,209	(1,497,241)
	<u>(4,919,000)</u>	<u>202,384</u>	<u>233,609</u>	<u>(4,483,007)</u>

Purposes of designated funds

The trustees have designated funds to assist in the future development of the charity and the upgrading of facilities.

General fund

The general fund consists of the total of free reserves available to spend on the objectives of the charity.

18. RESTRICTED FUNDS

	At 1 st April 2020 £	Incoming resources £	Outgoing resources £	At 31 st March 2021 £
Project fund				
Active Streets	80,379	83,366	74,509	89,236
Arts development	25,000	-	-	25,000
Awards for All	8,053	-	-	8,053
Beat the Street	-	15,000	-	15,000
Boat House	5,000	-	-	5,000
Curious Minds	14,821	-	14,821	-
Culture Recovery	-	144,888	-	144,888
Cycling project	10,480	(109)	-	10,371
Healthy Lifestyles	-	191,097	122,005	69,092
MAPS	6,185	-	-	6,185
Up & Active	34,000	-	34,000	-
	<u>183,918</u>	<u>434,242</u>	<u>245,335</u>	<u>372,825</u>

The restricted grants received in the year have been categorised above.

19. PENSION ARRANGEMENTS

The charity participates in the Lancashire County Pension Fund which is a funded defined benefit scheme providing benefits based on final remuneration. The assets of the scheme are held separately from those of the charity. Whilst this is a multi-employer scheme, the actuary is able to segregate the assets and liabilities relating to the charity. During the year, normal employer pension contributions of £270,348 (2020: £219,507) were paid to the scheme.

BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

19. PENSION ARRANGEMENTS (CONTINUED)

The following calculations as at 31st March 2021 have been provided by the actuaries, Mercer Limited, using the projected unit actuarial costs method. Principal actuarial assumptions used by the actuary were as follows:

	31.3.21	31.3.20
	%	%
Rate of CPI inflation	2.70	2.10
Rate of increase in salaries	4.20	3.60
Rate of increase in pensions	2.80	2.20
Discount rate	2.20	2.30
Life expectancy of a male future pensioner aged 65 in 20 years' time	23.90	23.80
Life expectancy of a female future pensioner aged 65 in 20 years' time	26.90	27.30
Life expectancy of a male current pensioner aged 65	22.40	22.30
Life expectancy of a female current pensioner aged 65	25.10	25.50

The amounts recognised in the balance sheet are as follows:

	31.3.21	31.3.20
	£	£
Present value of funded obligations	(14,454,000)	(11,631,000)
Fair value of plan assets	<u>9,535,000</u>	<u>8,388,000</u>
Net pension deficit	<u>(4,919,000)</u>	<u>(3,243,000)</u>

Analysis of amounts charged to the Statement of Financial Activities:

	31.3.21	31.3.20
	£	£
Operating charge		
Current service cost	565,000	627,000
Past service cost	-	162,000
Curtailments	15,000	7,000
Administration expenses	<u>10,000</u>	<u>11,000</u>
Total operating charge	<u>590,000</u>	<u>807,000</u>

	31.3.21	31.3.20
	£	£
Other finance costs		
Expected return on pension scheme assets	(196,000)	(196,000)
Interest on pension scheme liabilities	<u>267,000</u>	<u>262,000</u>
Net charge	<u>71,000</u>	<u>66,000</u>

	31.3.21	31.3.20
	£	£
Total charge to resources expended in Statement of Financial Activities	<u>661,000</u>	<u>873,000</u>

BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

19. PENSION ARRANGEMENTS (CONTINUED)

Analysis of the actuarial gains and losses shown in the Statement of Financial Activities:

	31.3.21	31.3.20
	£	£
Actuarial gains on assets	731,000	224,000
Actuarial losses on liabilities	(2,024,000)	(170,000)
Actuarial gain / (loss) recognised	<u>(1,293,000)</u>	<u>54,000</u>

Changes in the fair value of the defined benefit obligation are as follows:

	31.3.21	31.3.20
	£	£
Opening defined benefit obligation	11,631,000	10,329,000
Current service cost	565,000	627,000
Past service cost	-	162,000
Curtailments	15,000	7,000
Interest on pension scheme liabilities	267,000	262,000
Employee contributions	106,000	115,000
Actuarial losses	2,024,000	170,000
Benefits paid / transfers	(154,000)	(41,000)
Closing defined benefit obligations	<u>14,454,000</u>	<u>11,631,000</u>

Changes in the fair value of plan assets are as follows:

	31.3.21	31.3.20
	£	£
Opening fair value of plan assets	8,388,000	7,682,000
Expected return on plan assets	196,000	196,000
Actuarial gains	731,000	224,000
Employer contributions	278,000	223,000
Employee contributions	106,000	115,000
Administration expenses	(10,000)	(11,000)
Benefits paid / transfers	(154,000)	(41,000)
Closing fair value of plan assets	<u>9,535,000</u>	<u>8,388,000</u>

The split of assets between investment categories is as follows:

	2021	2021	2020	2020
	£	%	£	%
Equities	4,472,000	46.90	4,445,000	53.00
Government bonds	-	-	-	-
Other bonds	-	-	210,000	2.50
Property	1,354,000	14.20	713,000	8.50
Cash/liquidity	210,000	2.20	235,000	2.80
Other	<u>3,499,000</u>	<u>36.70</u>	<u>2,785,000</u>	<u>33.20</u>
	<u>9,535,000</u>	<u>100.00</u>	<u>8,388,000</u>	<u>100.00</u>

BURNLEY LEISURE
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

19. PENSION ARRANGEMENTS (CONTINUED)

Amounts for the current and previous periods are as follows:

	2021	2020	2019
	£	£	£
Defined benefit obligation	(14,454,000)	(11,631,000)	(10,329,000)
Plan assets	<u>9,535,000</u>	<u>8,388,000</u>	<u>7,682,000</u>
(Deficit)/surplus	<u>(4,919,000)</u>	<u>(3,243,000)</u>	<u>(2,647,000)</u>

A interim actuarial review of the scheme was undertaken as at 31st March 2021.

Following the full actuarial valuation at 31st March 2021, employer contributions were agreed to stay at a rate of 15.60% with effect from 1st April 2021.

The current estimate of employer contributions for the year ended 31st March 2022 is £268,000. Implied service cost is estimated at £696,000 and a net interest and administration cost at £115,000 resulting in the deficit increasing by an estimated £543,000 to £5,462,000.

20. RELATED PARTY TRANSACTIONS

Under an agreement dated 25th March 2014, the charity acquired the use of the community arts and leisure facilities in the Burnley area from Burnley Borough Council, a related party by virtue of its grant funding to the charity. The community arts and leisure facilities include all the equipment at each site and enable the society to operate under its principal activity. The value of the equipment and the potential liability for the consideration are not included in the accounts in order to reflect the substance of the arrangement.

The charity operates from premises owned by Burnley Borough Council.

During the period, the charity received grant funding from Burnley Borough Council of £529,634 (2020: £449,078).

Burnley Borough Council also provides professional services to the charity under a service agreement which amounted to £nil (2020: £252,720) in the period. These services would have cost £256,987 but were provided free of charge in the financial year. This has been recognised as both income and an expense within the financial statements.

During the year sales of £91,580 (2020: £22,066) were charged to, and expenditure of £88,541 (2020: £16,604) was charged by, Burnley Borough Council.

During the year the charity received income of £47,500 (2020: £18,990) from Burnley Pendle and Rossendale Council for Voluntary Services, a related party that shares a trustee with Burnley Leisure. In addition, the charity incurred £1,863 (2020: £5,888) in costs from this related party.

During the year the charity received income of £nil (2020: £617) from Burnley Youth Theatre, a related party that shares a trustee with Burnley Leisure. In addition, the charity incurred £nil (2020: £1,455) in costs from this related party.

21. GOING CONCERN AND POST BALANCE SHEET EVENTS

In preparing this Annual Report and Accounts, the trustees have considered their statement made regarding preparation of the financial statements on a going-concern basis. The financial statements have been produced on a going concern basis, despite the existence of net total liabilities (including the pension scheme deficit) as at 31st March 2021 because the trustees are satisfied that the charity will meet all its obligations as and when they fall due over the foreseeable future. In forming this opinion, the trustees have paid particular regard to:

- a) The nature of and future prospects for the economic climate in which the charity operates;
- b) The adequacy of the liquidity in the business demonstrated through the current 12 month forecast;
- c) The continued support of the council;
- d) The remaining term to March 2029 of the management agreement with Burnley Borough Council;
- e) The competencies of the executive staff employed by the charity;
- f) The actual performance to date for the financial year ending 31st March 2022.
- g) The details included in the Report of the Trustees which sets out the impact Coronavirus has had on the charity.

The trustees are not aware of any other reportable post balance sheet events at the time of this report.

This page is intentionally left blank

Scrutiny Work Programme 2022-23

<p>Wednesday 1st June 2022</p>	<p>Notice of key decisions and private meetings Review Groups Update from 2021/22 Potential Reviews for 2022/23 Work Programme</p> <p><i>PLUS</i> <i>Authority Monitoring Report</i> <i>State of the Local Economy (deferred from March 2022)</i></p>
<p>Thursday 7th July 2022</p>	<p>Notice of Key Decisions and Private Meetings Outturn 2022/23 Financial Reports-Revenue, Capital, & Treasury Management Annual Review of Activity Review Group Updates Work Programme</p>
<p>Thursday 15th September 2022</p>	<p>Notice of Key Decisions and Private Meetings Revenue Monitoring 22/23 Quarter 1 Capital Monitoring 22/23 Quarter 1 Revenue Budget 2023/26-Latest Position and Savings Proposals Work Programme</p>
<p>Thursday 24th November 2022</p>	<p><u>Policy Framework items</u> Revenue Budget Monitoring Q2 2022/23 Capital Budget Monitoring - Q2 2022/23 Fees & Charges -From Jan 2023 Treasury Management Mid-year update 2022/23 Food Delivery Programme (Annual Update)- TO JAN Health & Safety Delivery Programme (Annual Update)-TO JAN</p> <p><u>Scrutiny Items</u> Notice of Key Decisions and Private Meetings Half Year performance report 2022/23 Liberata Scrutiny Presentation (Annual Update) Work Programme</p>

<p>Wednesday 11th January 2023</p>	<p><u>Scrutiny items</u> Notice of Key Decisions and Private Meetings Resident Satisfaction Survey Community Safety Annual Report Strategic Plan Pay Policy Statement Review Groups -Housing and Markets Work Programme</p>
<p>Thursday 9th February 2023 Budget Scrutiny Panel</p>	<p><u>Scrutiny items</u> Notice of Key Decisions and Private Meetings Review Groups Work Programme</p> <p><u>Policy Framework items</u> Revenue Budget Monitoring Q3 2022-23 Capital Budget Monitoring - Q3 2022-23 Medium Term Financial Strategy Revenue Budget 2023-24 Capital Budget 2023-24 and Cap Investment Prog 2023/24 Treasury Management & Prudential Borrowing.</p>
<p>Wednesday 8th March 2023</p>	<p>Notice of Key Decisions and Private Meetings State of the Local Economy (reduced to annual reporting) Leisure Trust Annual Report Review Groups Work Programme</p>