

EXECUTIVE

Wednesday, 13th July, 2022
6.30 pm





EXECUTIVE

ROOMS 2 & 3, BURNLEY TOWN HALL

Wednesday, 13th July, 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.

There is limited space to accommodate members of the public due to Public Health guidance around social distancing. 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*

5 - 10

To approve as a correct record the Minutes of the meeting held on 14 June 2022

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) *Declaration of Interest*

In accordance with the Regulations, Members are required to declare any

personal or personal and prejudicial interests they may have and the nature of those interests in respect of items on this agenda 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) *Right To Speak*

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

7) *Exclusion of the Public*

To determine during which items, if any, the public are to be excluded from the meeting and to consider the exclusion of the public from the meeting before discussion takes place on the following items of business 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.

8) *Play Strategy Review*

11 - 28

To consider a review of the Play Strategy

9) *Review of Hackney Carriage Fares*

29 - 34

To consider a Review of Hackney Carriage Fares

10) *Various Compulsory Purchase Orders for Empty Homes and Facelifting Scheme*

35 - 40

To consider a report on Various Compulsory Purchase Orders for Empty Homes and Facelifting Scheme

11) *2021-22 Final Revenue Outturn Position*

41 - 56

To consider the 2021-22 Final Revenue Outturn Position

12) *2021-22 Final Capital Outturn Position*

57 - 66

To consider the 2021-22 Final Capital Outturn Position

13) *Annual Treasury Management Review of 2021-22 Activity*

67 - 76

To consider the Annual Treasury Management Review of 2021-22 Activity

14) *Exclusion of the Public*

To consider the exclusion of the public from the meeting before discussion takes place on the following items of business, on the grounds that in view of the nature of the items for consideration, there would be disclosure to them of exempt information within the meaning of

Paragraph 3 of Schedule 12a of the Local Government Act 1972.

PRIVATE ITEMS

Details of any representations received by the Executive about why any of the following reports should be considered in public – None received.

Statement in response to any representations – Not required

15) *Towneley Hall Repairs*

77 - 80

To consider a report on Towneley Hall Repairs

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

MEMBERSHIP OF COMMITTEE

Councillor Afrasiab Anwar (Chair)
Councillor Sue Graham (Vice-Chair)
Councillor John Harbour

Councillor Shah Hussain
Councillor Margaret Lishman
Councillor Mark Townsend

PUBLISHED

Tuesday, 5 July 2022



EXECUTIVE

BURNLEY TOWN HALL

Tuesday, 14th June, 2022 at 6.30 pm

PRESENT

MEMBERS

Councillors A Anwar (Chair), S Graham (Vice-Chair), J Harbour and S Hussain

OBSERVER Cllr M Lishman (via video link)

OFFICERS

Mick Cartledge	– Chief Executive
Lukman Patel	– Chief Operating Officer
Howard Hamilton-Smith	– Head of Finance and Property
Alison McEwan	– Democracy Officer
Carol Eddleston	– Democracy Officer
Sarah Waddington	– Senior Planner
Elizabeth Murphy	– Planning Policy Manager
Kieron Roberts	– Parks Development Manager

1. Apologies

Apologies were received from Councillors Townsend & Lishman.

2. Minutes

The minutes of the last meeting were approved as a correct record and signed by the Chair.

3. Public Question Time

Cllr Alan Hosker attended and addressed the meeting on grass cutting on verges.

The Leader of the Council gave a response.

4. Executive Portfolios 2022/23

The signed Executive Portfolios for 2022/23 were noted.

5. Urgent Executive Decisions

The Urgent Executive Decisions taken by the Chief Executive were noted.

6. Executive Outside Body Appointments

The following appointments were confirmed by the Executive:

:

Traffic Regulation Order sub-committee	Cllrs Graham, Harbour & Hussain
Pennine Lancashire Building Control Joint Committee	Cllr Harbour Substitute Cllr Graham
Pennine Lancashire Leaders and Chief Executives Joint Committee (PLACE)	Cllr Anwar Substitute Cllr Graham
Barnfield & Burnley Developments Ltd	Cllr Anwar Mick Cartledge
Housing Joint Venture Contract (Council Representatives)	Cllr Harbour Chief Operating Officer
Housing Joint Venture Contract (Stakeholder Representatives)	Cllr Anwar Chief Executive Strategic Head of Economy & Growth

7. Tennis Court Improvements and Management

PURPOSE

1. To inform members of the current position in terms of tennis provision across the Council's Green Spaces.
2. To provide details of the Lawn Tennis Association's (LTA) Capital Parks Funding proposal for Burnley, including operating models for future management/maintenance of courts.
3. To propose a way forward for sustainable tennis provision across Burnley in the future.

DECISION

That the Executive:

1. Notes the position in relation to the Council's current tennis offer.
2. Notes the detail of the LTA's Capital Parks Funding offer for Burnley.

3. Approves the suggested way forward for tennis provision across Burnley's Green Spaces as outlined in the 'Next Steps' section.
4. Notes the current situation at Barden Gardens and Towneley Park in terms of the future of tennis provision at these sites and agrees with the proposed way forward set out in their respective 'Next Steps' sections.

REASONS FOR DECISION

1. To improve the quality of parks courts across the borough.
2. To increase participation and playing opportunity to all.
3. To provide a sufficient income at each site which will contribute significantly to covering operating costs and ensuring self-sustainability.
4. To provide a tennis delivery operating model that will enable a range of LTA endorsed products and programmed activity to be run across park sites.
5. To provide a way forward for Barden Gardens and Towneley Park.

8. Residential Extensions Supplementary Planning Document

PURPOSE

1. The purpose of this report is to seek approval to undertake formal public consultation on a draft Residential Extensions Supplementary Planning Document (SPD).
2. The draft SPD (attached at Appendix A) has been prepared to support the implementation of Burnley's Local Plan. Once adopted, it will become a material consideration to be used in the determination of relevant applications.

DECISION

1. That the Executive approves the draft Residential Extensions SPD for public consultation for a six week period commencing this month.
2. That, up to the start of the consultation period, the Strategic Head of Economy and Growth is authorised by the Executive to make minor changes to the wording or layout of the draft SPD, providing that the changes do not materially alter the meaning of the consultation document.

REASON FOR DECISION

To meet the commitment to prepare a Residential Extensions SPD as set out in the Council's Local Development Scheme; and to seek comments on a draft of the document in accordance with the relevant regulations and commitments in the Council's Statement of Community Involvement (SCI).

9. Planning For Health Supplementary Planning Document

PURPOSE

1. The purpose of this report is to seek approval to undertake formal public consultation on a draft Planning for Health Supplementary Planning Document (SPD).
2. The draft SPD (attached at Appendix A) has been prepared to support the implementation of Burnley's Local Plan. Once adopted, it will become a material consideration to be used in the determination of relevant applications.

DECISION

- a. That Executive approves the draft Planning for Health SPD for public consultation for a six-week period commencing in late April/early May 2022.
- b. That, up to the start of the consultation period, the Strategic Head of Economy and Growth is authorised by the Executive to make minor changes to the wording or layout of the draft SPD, providing that the changes do not materially alter the meaning of the consultation document.

REASON FOR DECISION

To meet the commitment to preparing a Planning for Health SPD as set out in the Council's Local Development Scheme (LDS) and through the Council's involvement in the Pennine Lancashire Childhood Obesity Trailblazer Programme; and to seek comments in accordance with the relevant regulations and commitments in the Council's Statement of Community Involvement (SCI).

10. 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 11 (Charter Walk Progress 2022/23 and Proposals), Minute 12 (Enforcement & Cash Collection) and Minute 13 (Sale of Residential Properties) 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 3 of Schedule 12A of the Local Government Act 1972.

11. Charter Walk Progress 2022-23 and Proposals

PURPOSE

To update Members on the current position with Charter Walk and inform them of the proposals for 2022.

DECISION

That the report be noted.

REASON FOR DECISION

To keep Members apprised about the Council's main town centre property asset.

12. Enforcement and Cash Collection Contract

PURPOSE

To seek approval for the Council to participate in a joint procurement exercise with other Lancashire Councils, led by Preston City Council (Preston).

DECISION

That the Executive approves;

1. The Council's participation in the re-procurement of parking enforcement and cash collection services by taking advantage of a collaborative procurement exercise with other Lancashire Councils, led by Preston; and
2. That the Head of Streetscene, in consultation with the Head of Finance and Property and the Executive Member for Community and Environmental Services is given delegated authority to accept the most economically advantageous contract and agree any subsequent contract period extensions provided for in such Contract at the appropriate time.
3. That the Head of Streetscene in consultation with the Head of Legal and Democratic Services is granted delegated authority to execute all documents necessary to give effect to the above decision.

REASON FOR DECISION

1. To ensure service continuity, as the current contractual arrangements expire on the 5th October 2022.
2. To enable the Council to benefit from a multi-district procurement and to timely award the contract. It is also anticipated that a collaborative procurement will continue to deliver efficiencies and shared economy of scale benefits.

13. Sale of Residential Properties

PURPOSE

To seek approval to sell a portfolio of 25 residential properties.

DECISION

1. That the Executive approves the sale of 25 residential properties.
2. That the Executive authorises the Head of Legal & Democratic Services to complete all legal documentation necessary to give effect to the decision.

REASONS FOR DECISION

1. To increase the level of capital resources available to the Council.
2. To ensure good estate management.

Published 21st June 2022

Burnley Play Strategy Review

Report to the Executive



DATE	July 2022
PORTFOLIO	Health and Well Being
REPORT AUTHOR	Simon Goff
TEL NO	01282 477223 ext. 7223
EMAIL	sgoff@burnley.gov.uk

PURPOSE

1. To review the Play Strategy 2017-2026 and to seek approval to progress implementation.

RECOMMENDATION

2. That the Executive:
 - a. Notes the progress made implementing the Play Strategy 2017 – 2026.
 - b. Approves the implementation of the Play Strategy as identified in this report.
 - c. Notes the recommendation to identify a town centre location for the future development of a wheeled sports area.
 - d. Approves the proposal to develop pump tracks in the locations identified in the report, subject to external grant and S106 funding.

REASONS FOR RECOMMENDATION

3. To ensure that the Council maintains an equitable distribution of play areas across the Borough within the constraints of the limited resources available and makes adequate provision for wheeled sports in the borough.

SUMMARY OF KEY POINTS

4. Play Area Provision

The Council adopted [Burnley's Play Area Strategy](#) in 2017 and has been making progress implementing the recommendations of the strategy which included recommendations for each of the 58 playgrounds under 3 outcomes:

Outcome 1: 7 smaller play areas were identified for closure/relocation.

Outcome 2: 34 play areas to be maintained as they required no significant works.

Outcome 3: 17 Play areas to be refurbished.

Outcome 1: 7 smaller play areas that were identified for closure/relocation

5. Partridge Hill play area has closed with the equipment refurbished and relocated to Hargrove Park.
6. Burns St play area has closed, and the equipment has been refurbished and relocated to Stoneyholme Gardens Pocket Park.
7. The closure of 5 other play areas (Helena Street, Barley Grove, Jessie's Park, Richard Street and Glamorgan Grove) was suspended by a previous administration and has remained in abeyance during the Covid19 pandemic.
8. The Executive Member for Health and Wellbeing recommended that there should be a review of the Strategy and consultation with elected members prior to undertaking any further closures.
9. A [Review of Burnley's Play Area Strategy 2021--2026](#) (Appendix 1) was circulated to all councillors. It provided an update on progress implementing the Strategy. Councillors were invited to submit comments, which have been attached as Appendix 2.
10. The reasons for closing the 5 remaining play areas were outlined in the Play Strategy 2017-2026 and the Executive report when it was first approved in 2017:
 - These are smaller play areas with low play value and low levels of use.
 - They would require investment to refurbish them that is not available and can't be justified compared with spending scarce resources on other well used/well located play areas.
 - In all but two cases, the equipment from playgrounds to be closed will be relocated onto a nearby play area to improve its play value.
 - The Council's resources are over-stretched maintaining 58 equipped play areas. Each requires cleaning, litter picking and inspecting weekly and the revenue budget of £19,000 for spare parts and equipment is not adequate. Reducing the number of play areas to 50 will help alleviate this pressure and help to ensure that the play areas that the Council provides are maintained in a clean and safe condition.
11. It should be noted that Burnley has a high level of provision relative to its population compared with other authorities (1 play area per 1,534 people).

Authority	Number of equipped play areas	Population
Burnley	58	89,000
Blackburn w Darwen	20	150,000
Hyndburn	26	81,000
Pendle	40	92,000
Preston	50	146,000
Rossendale	40	71,000

After the 7 closures, we will be left with 51 play areas which equates to 1 play area per 1,745 people which is still the highest ratio compared to other nearby Local Authorities.

Councillors Comments

12. Following circulation of the Review of the Play Strategy to all councillors, Trinity Ward Councillors have objected to the closure of Jessies Park:

Objection	Response
The distance for parents and children will have to walk to Piccadilly Gardens	<p>The distance is 175 metres between the two play areas, and both are in the same residential area.</p> <p>The adopted local standard is an 800 metre walk to the nearest play area.</p> <p>The play areas in Piccadilly are for the whole population (370 children) of the residential area and not just those immediately adjoining an individual play area.</p> <p>Piccadilly residential area is ranked 29th out of 50 residential areas in the Index of Play Value. This will not change significantly due to the relocation of equipment from Jessie's Park to Piccadilly gardens</p>
Younger children and their parents don't like to mix with older children	<p>It is better to have a range of equipment for different ages on one site, enabling younger children to progress to larger equipment and siblings of different ages to play at the same location</p>
The equipment on Jessies Park was funded through grants raised by local residents.	<p>It is common for friends and residents' groups to raise money for play equipment to be located in a public park, but it doesn't mean that they own it.</p> <p>The equipment will be factory refurbished and remain in use by the same community.</p> <p>A memorial bench is proposed to be installed for Jessie and some sympathetic tree planting and landscaping of the site will be carried out.</p>
	<p>Jessie's Park play area is located on back Baker Street which is frequently heavily littered and suffers from fly-tipping and is a very difficult site to maintain in a clean and safe condition.</p>

No comments have been received from Councillors in relation to the closure of other play areas. Objections were previously raised to the closure of Glamorgan Grove.

13 Recommendations for play area provision

Outcome 1: Close 7 play areas

It is recommended that the playground closures are progressed as outlined in the Review of the Play Area Strategy.

Outcome 2: maintain 34 play areas

No change to this outcome.

Outcome 3: refurbish 17 play areas

This has now increased to 21 play areas to be refurbished as outlined in the Review.

Most of these refurbishments will be undertaken as part of the Council's Capital investment Play Area Improvement Programme with the remaining play areas funded by external funding, such as Safer Streets, Disability Facility Grants, etc.

We have completed 9 of the original 17 with a further 3 to be finished before the end of 2022. Completed refurbishments include:

- Thompson Park
- Hargrove Park
- Cliviger Park
- Calder Park
- Towneley Park Riverside
- Faraday Street
- Scott Park
- Stoneyholme Gardens
- Harold Avenue

The following play areas will be refurbished within the next 2-3 years:

- Lane Bottom
- Lockyer Avenue
- Vanguard Park
- Queens Park
- Healey Wood
- Barden Lane
- Burnley Road, Briercliffe
- Piccadilly Gardens

Refer to 'Outcome 1: Play Areas to be refurbished' table for more details of actual and proposed completion dates.

The Executive to note that programme for refurbishment of the remaining play areas will be reviewed and a capital programme bid will be submitted in Autumn 2022 outlining how the play areas due for refurbishment in 2023/2024 and 2024/2025 will be funded

14. **Wheeled Sports Area**

Wheeled sports areas (WSAs) were not referred to in the original play strategy but have been covered by the review.

Padiham WSA

Funding of £100K has been raised from S106, Lancashire Environmental Fund, Padiham Town Council and RWE Wind Farm to provide a new concrete surfaced WSA at Park Rd, which is included in the 2022/2023 capital programme.

Burnley Town Centre WSA

For the reasons outlined in the Review, it is recommended that the Council explores opportunities to develop a new wheeled sports area in Burnley town centre as a borough-wide facility to replace the Queens Park skate park.

A suitable and sensitive location for the WSA would need to be found. This would be a dedicated Wheeled Sports facility for young people and would provide diversionary activity in a safe environment. There is evidence that if a purpose-built facility is provided for young people (on the back of appropriate consultation) that ASB would reduce, WSA could be concentrated to a specific controlled area and a sense of ownership would be forthcoming.

15. **Pump Tracks**

These are small, relatively low-cost tracks that can be used by mountain bikes, BMX, and small wheeled scooters.

Provision of pump tracks was not covered in the original play area strategy, but a strategy for provision is needed so that officers can respond to requests from community and friends' groups and councillors and to direct effort to locations where facilities are needed.

It is recommended that, as set out in the review, the Council should support community and friends' groups that wish to raise funds for development of new pump tracks in the following locations:

Location	Ward
Fulledge Rec	Bank Hall
Sycamore Park	Rosegrove
Byerden Holme	Stoneyholme & Daneshouse
Kibble Bank	Lanehead
Healywood	Trinity

FINANCIAL IMPLICATIONS AND BUDGET PROVISION
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16. The Council's revenue budget for playground maintenance has remained relatively static whilst costs of spare parts and equipment have increased. The closure of the playgrounds identified will help to ensure that the playgrounds that remain can be maintained.

POLICY IMPLICATIONS

17. The proposed closure of play areas is identified in the adopted Play Strategy. Children and families in Burnley will continue to enjoy access to a good network of play areas.

DETAILS OF CONSULTATION

18. The Play Area Strategy Review was sent out to consultation to all councillors as set out in the report.

BACKGROUND PAPERS

19. None

FURTHER INFORMATION	
PLEASE CONTACT:	Simon Goff
ALSO:	Kieron Roberts

Review of Burnley's Play Area Strategy 2017 – 2026

Introduction

The purpose of this document is to review progress implementing Burnley's Play Area Strategy 2017-2026 and to further consult with members on the proposed closure of a number of smaller play areas.

A copy of the Play Strategy can be seen by clicking on [this link](#).

This review also introduces a proposed strategy for the provision of wheeled sports areas, including skate parks and pump tracks. This is necessary because requests are being received from councillors and community groups to develop new facilities which need to be considered within the context of an overall plan for provision across the borough.

Progress Implementing the Play Area Strategy

The Strategy made recommendations for each of the 58 play areas in the borough:

- 17 play areas were identified for improvement,
- 34 play areas required no significant works
- 7 smaller, underused play areas were identified for closure.

Four play areas have been added to the list of sites to be improved: Clifton St, Tay St, Hart St and Memorial Park, as detailed in the table below.

Good progress has been made implementing the Strategy:

- 9 play areas have been refurbished
- 3 schemes are currently in progress
- 7 play areas remain to be improved in future years.

The schemes that have been completed include large play areas in three of the main parks; Towneley, Thompson and Scott Park and the total capital spend has been approximately £442,000, with funding obtained from external grants and Section 106 contributions in addition to the funds from the Council's capital programme.

Two additional new play areas are being provided by housing developers: one on the Kiddrow Lane housing development (Rosegrove with Lowerhouse), adjoining the Sweet Clough Greenway. This is identified as a priority for new provision in the Play Strategy. The other new play area will be provided on the Red Lees Road housing development, (Cliviger with Worsthorne). Both sites will be managed by private management companies set up by the developers.

Summary of recommendations for play areas to be refurbished and progress

Name of Playground	Ward	Residential Area	Use	Play value	Condition	Estimated Refurb Costs	Recommendation	Progress
Outcome 1: Play areas to be refurbished								
Thompson Park	Bank Hall	Top 'O' the Town	High	58	B	£142,000	To be refurbish in 2017/18, funded by HLF restoration of Thompson Park (£142K)	Complete 2017/18
Hargrove Park	Gawthorpe	Padiham East	Low	32	B	£15,000	Improve to NEAP standard. Relocate equipment from Partridge Hill play area	Complete 2017/18
Cliviger Park	Cliviger	Cliviger	Low	56	C	£15,000	Work with Cliviger PC to secure windfarm grant to refurbish play area	Complete 2017/18
Calder Park	Whittlefield	Calder	Med	35	B	£15,000	Work with Friends of Calder Park to obtain funding to extend play area	Complete 2018/19
Towneley Riverside	Cliviger	Red Lees Road	High	79	B	£160,000	Work with Friends of Towneley on major refurbishment of this important play area	Complete 2018/19
Faraday Street	Whittlefield	Calder	Med	51	C	£35,000	replace old items of equipment	Complete 2018/19
Scott Park	Coalclough	Bleakhouse	Med	52	B	£60,000	Work with Friends of Scott Park to provide new play area preferably located on lower (un-used) bowling green	Complete 2019/20
Lane Bottom	Briercliffe	Lanebottom	V Low	37	C	£18,000	Work with Briercliffe PC to refurbish	Improvements to be completed 2022
Stoneyholme Gdns	Daneshouse	Stoneyholme	Med	35	C	£16,000	Relocate equipment from Burns St	Complete 2022
Lockyer Ave	Gannow	Sycamore	High	58	A	£5,000	Improve with equipment relocated from Glamorgan Grove	New items of equipment to be installed Autumn 2022.
Harold Avenue	Rosegrove	Griffin	Low	26	B	£28,000	Relocate to vicinity of Valley Community Centre further along Harold Ave (work with Calico to fund this)	Complete 2022
Vanguard Park	Trinity	Trafalgar	Low	46	C	£12,500	Replace worn out items of play equipment	To be implemented Autumn 2022
Queens Park	Bank Hall	Turf Moor	High	63	B	£40,000	Work with Friends of Queens Park to refurbish.	Improvements scheduled 2022/23

Appendix 1

Name of Playground	Ward	Residential Area	Use	Play value	Condition	Estimated Refurb Costs	Recommendation	Progress
Healey Wood	Rose Hill	Healywood Toddler PA	Med	27	C	£25,500	Develop a new combined toddler & junior play area using relocated and some new equipment	Improvements scheduled 2022/23
Barden Lane	Queensgate	Queensgate	Med	41	A	£20,000	Relocate existing equipment from Barden Lane to new play area on Disraeli Street Rec	Consult during 2022 with scheme to be undertaken 2023/24
Burnley Rd B'Cliffe	Briercliffe	Briercliffe North	Low	22	C	£10,000	Work with Parish Council to refurbish	Improvements to be done 2022/23
Piccadilly Gardens	Trinity	Piccadilly	Med	39	B	£10,000	Improve play area using refurbished equipment relocated from Baker St (Jessie's Park)	Not progressed as it is dependant on closure and relocation of equipment from Jessie's Park
Additional Schemes that are being progressed								
Clifton Street	Trinity	Clifton Heights	Low	36	B	£10,000	Undertake some improvements linked to college development	2023/24
Memorial Park (Park Rd)	Gawthorpe	St John's	High	72	B	£45,000	Additional scheme: Installation of inclusive play equipment	Improvements scheduled 2022/23
Hart Street	Bank Hall	Top O the Town	Med	34	c	£6,000	Replacement play equipment funded by Safer Streets	Complete 2022
Tay Street	Coalclough	Hargher Clough	Med	41	B	£5,000	Replacement play equipment funded by S106 contribution	2023/2024

Proposed closure of play areas

The Strategy identifies that the Council has more play areas that it can afford to maintain, given the very limited revenue budget for spares and replacements and the shortage of staff needed to clean and maintain play areas (which is done daily/weekly depending on location).

The Strategy also identifies that there are significant costs involved in the periodic refurbishment of play areas, which involves the replacement of equipment and surfacing every 15-20 years.

The seven play areas that are identified for closure are in locations where there are alternative play areas nearby. In 5 of these cases, it is proposed that equipment from the play area being closed will be relocated to the nearby play area, which would be improved.

After the proposed closures have taken place, the borough will still have 51 play areas, which is significantly more than comparable authorities and importantly the remaining play areas are relatively well distributed across the borough, ensuring that the great majority of children and families have access to a play area within 10 minutes' walk.

Progress with play area closures

Partridge Hill play area has been closed and the play equipment relocated to Hargrove Park. However, due to COVID19, the implementation of the play strategy was delayed and the closure of the remaining play areas was suspended.

The position with the play areas is as follows:

Play Area	Ward	Progress/notes
Helena St	Bank Hall	Remains open. Fulfilled play area (Mitella Street) is in the same residential area and it is proposed to relocate suitable equipment to Fulfilled.
Barley Grove	Brunshaw	Remains open. However, the climbing unit has been removed due to rot. One single-seat swing and one spring rocker remain.
Burns St	Stoneyholme	Agreed following consultation with Councillors that the small Burns St play area will close and equipment to be removed, refurbished and relocated to Stoneyholme Community Garden. The site of the play area will be transferred to the adjoining mosque and maintained as a community garden.
Partridge Hill	Gawthorpe	Closed and equipment relocated to Hargrove Park.
Jessie's Park (Baker St)	Trinity	Remains open. Proposed to remove the equipment from this small play area, refurbish it and relocate it onto the existing Piccadilly Gardens play area, which is only 175 metres away. There is good play provision in this area as the newly refurbished play area in Scott Park is 525 metres away and Tay St Play area is 475 metres away.
Richard St	Bank Hall	Remains open. A see-saw has been removed following vandalism. Climbing unit and swing remain on site.
Glamorgan Grove	Gannow	Remains open. The sand works was removed due to rotten timber. Steel swings and basket swing remain on site. Proposed to relocate equipment to Lockyer Ave play area, which is in the same residential area.

Consultation with Councillors

The views of ward councillors on the proposed closure of play areas and any other aspect of the Play Area Strategy are welcome.

It is proposed that the review of the Play Area Strategy will be reported to the Executive with a recommendation that the proposed closures are progressed in tandem with the improvement of nearby play areas, as identified. The views of ward Councillors will be reported.

Consultation with the community

There will be a public consultation with local children and families in respect of all of the refurbishment schemes, including those play areas that are being closed and the equipment relocated. Ward councillors will be advised of consultation arrangements.

Provision of Wheeled Sports Facilities

What does the term mean?

The category '*wheeled sports*' includes use of skateboards, mini wheel scooters, BMX, balance bikes, roller blades and some mountain bike activities.

The term '*wheeled sports facilities*', hereafter abbreviated to WSF, is a general term that includes skate ramps and concrete skate bowls, pump tracks, BMX tracks, junior cycleways and could be extended to include the network of paths in parks that are used by children & young people on bikes, scooters, roller skates, etc.

The specific term 'pump track' refers to short undulating loops of tarmac or stone tracks that can be ridden around without pedalling, using the pumping action of the body alone (if sufficiently skilled).

The importance of WSF

The provision of WSF is important:

- The popularity of wheeled sports is increasing; boosted by skateboarding and freestyle BMX being introduced as Olympic sports.
- Bespoke WSF provide opportunities for children and young people to be active
- The path network in parks provide safe locations for children, whose parents may be reluctant to allow them to cycle on roads.
- WSF are used by a demographic of young people who may not engage in any other sport or physical activity.
- Wheeled sports facilities are free to use and open 24/7

Council officers have received requests from councillors and community and park friends' groups to support development of new facilities in their areas and so a strategy for the provision of wheeled sports facilities across the borough is needed to ensure that the Council's resources and limited external grant funding is directed at providing facilities in a way that ensures a fair distribution of facilities across the borough.

As with other sports facilities identified in the Green Spaces Strategy, it is recommended that the provision should be made at the borough-wide and district level, as detailed in sections below, rather than at the residential area which is used for the provision of children's play areas.

Provision of Skate Parks

The Council currently provides skate ramps at the following sites:

- Queens Park (East Burnley)
- Hapton Recreation Ground (Hapton)
- Hargher Clough Park (South Burnley)
- Memorial Park (Padiham)
- Piccadilly Gardens (South Burnley)
- Sunny Clough Park (South Burnley)

The skate parks at Queens Park and at Hargher Clough are the main sites, whilst the other locations provide just a single ramp or half-pipe.

Skateboarding provision is costly, and it is recommended that any future investment is focussed on replacing the ramp in Memorial Park, Padiham and in developing a replacement for the existing wheeled sports facility in Queen's Park which would serve as a borough-wide facility.

Memorial Park Padiham

The existing galvanised steel half-pipe skate ramp in Memorial Park, Padiham was constructed in 1991 and it has reached the end of its' operational life and has limited 'skate value'. Funding is currently being secured from a variety of sources to replace it with a more modern concrete wheeled sports facility in 2022 at a cost of circa £100K.

The advantage of modern concrete ramps is that they can be used by a wide variety of small-wheeled devices, including scooters and BMX and are very durable.

In addition, there may be funding to develop an additional roller rink area (that could be used by skateboards, scooters, balance bikes, small bikes) near to the youth shelter for beginners and for people transitioning from novice status to using the Wheeled sports facility across the road or the two existing tarmac surfaced pump tracks. However, this development may only be possible once the situation with the Greenway bridge is resolved because this area provides the only access to the bridge

Queens Park skate ramps

The existing skate park in Queens Park consists of older style steel ramps and was developed in 2003 alongside the provision of a ball court and 4 refurbished tennis courts. It offers a reasonable range of activities but, like the Padiham facility, is nearing the end of its operational life and the Council needs to plan for replacement over the next 5 years.

A new concrete wheeled sports area of comparable size will cost in the range of £250,000 - £300,000. This may seem a lot, but over a 25-year operational life represents good value.

However, Queens Park may not be the best place for this investment because it is not in a central location, there is limited public transport and access for children and young people consequently very difficult.

An alternative location for a borough-wide, state-of-the-art wheeled sports facility would be in Burnley Town Centre. (the area required is relatively modest: 500-700m²)

The advantages of a town centre location are:

- Good public transport from all areas of the Borough
- Proximity to Burnley College and Uclan
- The town centre is non-territorial
- Attracting more younger people to the town centre with knock-on economic benefits
- Creating a dynamic, lively and youthful atmosphere
- Demonstrating that the town values young people
- Higher levels of casual supervision and a safer environment for young people

Recommendation

Explore the opportunity to develop a town centre wheeled sports facility, which will be dependant on a suitable location being identified, appropriate consultation undertaken, planning approval and the availability of funding.

Other existing skate facilities

The smaller facilities at Hapton, Piccadilly Gardens and Sunny Clough Park offer very limited skate value to a small, local community of users.

It is recommended that these smaller skate facilities continue to be maintained but not replaced when they reach the end of their operational life unless a parish council or other group provides funding.

Provision of Pump Tracks

The Council provides Pump Tracks at the following locations:

- Memorial Park, Park Road (Padiham) – a beginner and intermediate track.
- Calder Park (West Burnley)
- Worsthorne Recreation Ground (East Burnley)
- Jubilee Meadows (East Burnley)
- Hapton Recreation Ground (Padiham & Hapton)

The tracks at Calder Park and Memorial Park are surfaced with tarmac, in good condition and are very popular. These cost in the region of £20,000 each at current prices.

The pump tracks at Worsthorne, Jubilee Meadows and Hapton are stone surfaced but have been neglected and have become overgrown and subsequently require refurbishment.

Hapton Parish Council has indicated that it would like to upgrade the existing pump track at Hapton Recreation Ground. This would cost around £25,000 and they would look to secure grant funding, with the help of Burnley Council, to pay for the work.

Worsthorne Parish Council wish to upgrade the track on Worsthorne Recreation Ground, linked to the other improvements that are ongoing, and there may be some Section 106 funding available to contribute.

The stone surfaced pump track that was developed at Jubilee Meadows is under-used but there is real potential and space to re-develop and upgrade the existing facility in to a larger, better-quality stone/tarmac pump track. This could be the flagship pump track for Burnley.

Recommendations

Officers will support parish councils at Worsthorne and Hapton to upgrade the existing stone pump tracks.

Improvements to the Jubilee Meadows pump track to be funded from the remaining Brun Valley Forest Park capital budget matched with external grant(s).

To provide a reasonably equitable distribution of pump tracks across the borough, it is recommended that the Council should support community and friends groups that wish to develop track facilities in the following locations:

Fulledge Recreation Ground (Bank Hall)

The layout and topography of Fulledge Recreation Ground lends itself well for the development of a pump track at this location and would attract young people from the Fulledge, Brunshaw and Burnley Wood areas of East Burnley.

Sycamore Park (Rosegrove)

For West Burnley, which only has the Calder Park track on the periphery of this area, there is potential to develop a new pump track along the Sweet Clough Greenway around the Lockyer Avenue/Middlesex Ave area. Locating the track on the greenway would provide good access for a large population of children and young people.

Byerden Holme (Stoneyholme & Daneshouse)

North Burnley currently has no pump track facilities and Byerden Holme, where this is already a play area and MUGA, and with good access to the canal towpath greenway, would be the most obvious site to develop one.

The Friends of Stoneyholme Gardens indicated that they would be willing to work with the Council to pursue a pump track in the future.

Kibble Bank (Lanehead)

There is land behind the former Black Bull pub, which is part of Kibble Bank, that could also be developed into a pump track to cater for young people from the Lanehead/Briercliffe areas of North East Burnley.

There have been several requests (including the Friends of Scott Park and local Councillors) for a pump track facility in the Rosehill/Scott Park area of South Burnley.

Rosehill/Healywood (Rose Hill with Burnley Wood)

There have been several requests (including the Friends of Scott Park and local Councillors) for a pump track facility in the Rosehill/Scott Park area of South Burnley.

The Healywood also has space to develop more recreational provision including a pump track to serve the Rosehill with Burnley Wood residents (within the South Burnley area). The Council is scheduled to upgrade the existing play facilities at Healey Wood in 2022/23.

Summary of recommendations for Wheeled Sports Facilities

Name of Site	Ward	District	Estimated Costs	Proposal
Skate Facilities				
Queens Park	Bank Hall	North Burnley	£250,000	Work with Friends of Queens & Thompson Park Group to obtain funding to refurbish existing Wheeled sports facility or consider eventual closure following development of a facility in Burnley Town Centre
Hapton Rec	Hapton with Park	Hapton		Refurbish with funding from Hapton PC
Hargher Clough Park	Trinity	South Burnley		Maintain
Park Road	Gawthorpe	Padiham	£100,000	Existing Skate Ramp to be replaced with a concrete Wheeled sports facility in 2022.
Piccadilly Gardens	Trinity	South Burnley		Maintain
Sunny Clough Park	Rosegrove with Lowerhouse	West Burnley		Maintain
Pump Tracks				
Park Road - Beginner	Gawthorpe	Padiham		Maintain - Minor improvements to existing tarmac surface and grass edging.
Park Road - Intermediate	Gawthorpe	Padiham		Maintain – Minor improvements to existing tarmac surface and grass edging.
Calder Park	Whittlefield	West Burnley		Maintain
Worsthorne Rec	Cliviger with Worsthorne	East Burnley	£25,000	The stone track is currently overgrown and disused. Work with Worsthorne Parish Council to secure funding to refurbish existing track.
Jubilee Meadows	Bank Hall	East Burnley	£25,000	The stone track is currently overgrown and under-used. Secure funding to refurbish existing track.
Hapton Rec	Hapton with Park	Hapton	£25,000	The stone track is currently overgrown and disused. Work with Hapton Parish Council to secure funding to refurbish existing track.
Proposed locations for additional pump tracks (in priority order)				
Byerden Holme	Stoneyholme & Daneshouse	North Burnley	£25,000	
Rosehill/Healywood Park	Trinity	South Burnley	£25,000	Develop new track at Healywood
Sycamore Park	Rosegrove	West Burnley	£25,000	
Kibble Bank	Lanehead	North Burnley	£25,000	
Fulledge Recreation Ground	Bank Hall	East Burnley	£25,000	Develop new track in partnership with Friends of Towneley Park

Summary of Feedback from Councillors on the Review of Burnley Play Area Strategy

Feedback was provided by Councillors for three wards, Worsthorne, Trinity and Rosehill with Burnley wood.

Worsthorne Ward

- Provide more information on how the Borough's play areas can boost mental and physical wellbeing of residents. Making the connections between wellbeing and facilities needs to be writ large into such strategic reviews. For example, does Greenspaces/Parks have a cost benefit analysis of how much each pound invested into parks/play areas/green spaces saves money on public healthcare?
- Insert a climate action analysis into the Strategic Review. This should be at the core of all council work. To see it missing from any strategic review undermines any intent towards reductions.
- Welcome the recommendation for a wheeled facility in the town centre. In the past, the private skatepark in Bank Hall was known as the best skatepark in the country, inspiring riders to go on to national and international success.

Trinity Ward

- Jessie's Park: Piccadilly Park generally attracts older children and teenagers due to it having the skate park and the parents are not comfortable about their young children having to pay there too.
- the report mentions Tay Street and Scott Park but in reality, most residents are not going to walk there with their young children to play there, they want something close to home. Scott Park in particular means crossing two fairly busy roads.
- Healey Wood Park has fairly positive local support for bringing the play equipment down from the Delph onto the Evans St Park as the Delph isn't overlooked and is often used for drinking and drug taking. The play area is definitely in need of renovation and the soft surface in a very poor condition.
- Suggest that a memorial bench be installed once the equipment has been moved for Jessie and some tree planting and landscaping to make the site look attractive.
- Please provide a map showing all the play areas and identifying where play areas are proposed to be removed (including if being combined)?
- I do not agree with closing Jessie's Park (Specifically) or other play areas. Covid has taught us we should value multiple spaces to enjoy outdoors, and the research shows younger kids (and parents) don't like being in parks with older kids so they may not then use the space and that communities have an identity

with certain parks and play spaces. Merging them is exclusionary particularly for areas with high levels of deprivation on official indices

- Piccadilly Park – this needs proper investment too – not just taking equipment from Jessie's Park (which is opposed). Do you need help calling for residents to form a friends of group?
- Riding Street – basketball court area, we should turn this into something great. I have ideas for getting funding, etc.
- Clifton Street – I am surprised to only see £10k there, I hope that means that the picnic benches, zip wire and full refurbishment is still going ahead. Please can you confirm? Also, can we bring this forward to asap because it would look awful if the college was built before the community was considered.

Rosehill with Burnley wood

- As you are already aware I am opposed to a pump track being situated on Healey Heights adjacent to the turning circle on Rosehill Rd for reasons previous outlined not to mention the opposition from other residents who are already with young people and incidents of anti-social behaviour.

REPORT TO EXECUTIVE



DATE	13 th July 2022
PORTFOLIO	Community & Environment
REPORT AUTHOR	James Astin
TEL NO	01282 425011
EMAIL	jastin@burnley.gov.uk

Review of Hackney Carriage Table Of Fares

PURPOSE

1. To consider a request from the Hackney trade to increase the Hackney Carriage Table of Fares. The proposed increase for Tariff 1 & 2 has the support of Hackney Carriage trade representatives and active/working Hackney Carriage drivers licensed by Burnley Borough Council.

RECOMMENDATION

2.
 - (1) That Executive approves the proposed increase to metered Hackney Carriage fares on Tariff 1 & 2 illustrated at Appendix B; and
 - (2) That, in the event of any objections, Executive delegates authority to the Head of Streetscene in consultation with the Executive Member for Community and Environmental Services to consider any objections received; and after due consideration, to set a new implementation date, with or without modifications.

REASONS FOR RECOMMENDATION

3. The setting of Hackney Carriage fares is an Executive function, but not a key decision.

SUMMARY OF KEY POINTS

4. The Hackney Carriage Table of Fares is reviewed at the request of the trade. This indicates the maximum charge that can be demanded for a journey in a Hackney Carriage and is set in the meter. As this is an Executive function, but not a key decision, Licensing Committee are to be consulted at their meeting on June 23rd and invited to recommend it's approval to the Executive. Should Executive decide to vary the fees, the new table of fares will be advertised in a local newspaper and be displayed on the website for 14 days. If there are no objections the fares will come into effect thereafter.

If any objections are received within the 14 days and not withdrawn, then they will be considered by the Head of Streetscene in consultation with the Executive Member. A new date will then be set for implementation, with or without modification. This date will be within 2 months of the date of expiry of the initial period for objections.

5. There has not been a review of the Hackney Carriage fares since 2006. A request to review fares was received in 2008, but did not have the support of the trade and was abandoned. In that time expenses have risen considerably.
6. In the May 2022 National Hackney Carriage Fares table, Burnley Borough Council's fares currently sit 345th out of 349 Local Authorities. This fare table compares details of hackney fares charges across the country for a 2-mile journey on Tariff 1. Burnley Borough Council's hackney fare for a 2-mile journey on Tariff 1 is currently £4.50.

A link to the National Hackney Carriage Fares table is available below at para 13 – Background Papers.

7. In late 2021, Hackney Carriage trade representatives proposed a modest increase mainly due to the financial impact the COVID 19 pandemic, increases in the cost of fuel, vehicle maintenance and the general increase in the cost of living. This request is reflected in the proposal. It simply increases the 'flag rate' i.e. the starting figure on the meter. It does not increase the 'running rate' i.e. the rate for the measured distance/journey time. In summary the change requested is:

	Current first 1320 yards (three quarters of a mile) or 4 minutes	Proposed first 1320 yards (three quarters of a mile) or 4 minutes
Tariff 1 - 6am to midnight	£2.50	£3.00
Tariff 2 – midnight to 6am & certain Bank Hols	£3.00	£3.50

Officers suggested that the running rate, ie after the first 1320 yards etc. might also be increased to ensure that addition fuel costs in particular are reflected in the meter rate, but this was not supported by the trade representatives or their members.

The hackney carriage trade is concerned a significant increase would result in the general public being discouraged from using hackney carriages due to the increased cost and render hackney carriage drivers unable to compete with the private hire trade.

For example, a hackney driver undertaking a short local journey on Tariff 1 in heavy or static traffic conditions may be making little or no progress. However, the meter is still running and clocking an additional £0.20 pence on the fare every 40 seconds. Drivers are reluctant to charge the full metered fare due and will invariably charge the customer a reduced fare.

It should be noted that most metered journeys carried out by Hackney Drivers are local and relatively short. Therefore, the modest tariff increase proposed would provide a financial benefit on most journeys.

In contrast, longer metered journeys would see very little financial benefit. However, the fare for these is normally subject to negotiation with the customer at the start of the

journey, and the metered charge is rarely demanded. This negotiation is permitted provided the charge does not exceed that on the meter.

Considering the fare increase proposed by the trade, this would increase the cost of a 2-mile journey to £5.00. This would move Burnley's fare tariff to 330th in the national fare table, comparable with Rossendale Borough Council's tariff.

8. All active/working hackney carriage drivers licenced as such by Burnley Borough Council were canvassed in relation to this proposal by way of a brief questionnaire.

The questionnaire asked the drivers to indicate their preference as follows:

- I am in favour of a tariff increase
- I am **not** in favour of a tariff increase
- No preference

Of the 28 drivers canvassed, a total of 18 returned their questionnaire all in favour of a tariff increase

9. Consideration was given to the recognised formula developed by Guildford Borough Council.

The Guildford model for setting hackney carriage fares has stood the test of legal challenge and time. It provides a means of setting and reviewing fares in a structured, transparent, and methodical way. The formula can be applied to other local authority areas as a more consistent approach.

The Guildford model considers a number of factors which include:

- Average local annual salary
- Cost of running a hackney carriage
- Annual cost of hackney carriages licences
- Additional allowance for insurance
- Annual average mileage
- Dead mileage

Guildford Borough Council is 19th in the national fare table and a hackney fare for a 2-mile journey is currently £7.60.

Whilst average salary costs in Guildford will be higher than Burnley, their licence conditions do not specify purpose-built hackneys as is the case in Burnley, which are significantly more expensive to buy and maintain.

If the Guildford model was applied to the proposed fare increase for Burnley Borough Council, clearly fares would increase significantly.

On the face of it, this would appear to be an attractive proposition. However, further consultation with the trade has established a significant fare increase is not wanted by drivers.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

10. The only financial implication of this recommendation is the cost to the trade of the recalibration of the Hackney Carriage meters.

POLICY IMPLICATIONS

11. The recommendation would introduce permanent changes to the Hackney Carriage table of fares.

DETAILS OF CONSULTATION

12. Consultation with trade as outlined in the report. Taxi Task Gp endorsed the report on 9.06.22.
23rd June 2022 Licensing Committee agreed with the proposals.

BACKGROUND PAPERS

13. Link to National Hackney Carriage Fares Table - May 2022:
[PHTM May 2022 Issue 356 :: 86 \(yudu.com\)](#)
Link to the Guildford model outlined in the Institute of Licensing publication – Pages 14 – 17:
[link-magazine-issue-8-fv.pdf \(instituteoflicensing.org\)](#)

FURTHER INFORMATION

PLEASE CONTACT:

James Astin

ALSO:

Karen Davies

Existing:

Hackney Carriage Table of Fares

THE DRIVER IS REQUIRED BY LAW TO SWITCH THE TAXI METER ON AT THE START OF EACH JOURNEY

Applies to all journeys within the Borough Boundary and to journeys outside the Borough Boundary unless agreed otherwise between driver and hirer prior to the hiring.

TARIFF 1

For hiring commenced between the hours 6.00 am and midnight each day

- For the first 1320 yards (three quarters of a mile) or 4 minutes.....**£2.50**
- For each succeeding 220 yards or 40 seconds thereafter or a combination of both.... **£0. 20**

TARIFF 2

For hiring commenced between midnight and 6.00 am each day, Statutory Holidays and Bank Holidays (excluding Christmas and New Year):

- For the first 1280 yards (8 elevenths of a mile) or 4 minutes and 48 seconds.....**£3.00**
- For each succeeding 160 yards or 36 seconds thereafter or a combination of both.....**£0. 20**

TARIFF 3

For hiring commenced between the hours 6.00 pm Christmas Eve and 6.00 am 27 December and between 6.00 pm New Year's Eve and 6.00 am 2 January:

- For the first 1320 yards (three quarters of a mile) or 4 minutes. .. **£5.00**
- For each succeeding 220 yards or 40 seconds thereafter or a combination of both.....**£0.40**

EXTRA CHARGES.

- To cover cleaning and loss of income, where the interior of the vehicle is soiled (at the discretion of the driver) not exceeding **£50.00**
- Before the journey starts the driver must advise if He / She is exercising discretion to charge a maximum of **£1.00** for carrying abnormal loads. (This does not apply to carriage of suitcases, hand – held luggage, shopping bags, prams / pushchairs or wheelchairs.)
- Assistance dogs are carried free of charge.

UP-FRONT PAYMENTS

DRIVERS MAY ASK YOU TO PAY AN ESTIMATED FARE / DEPOSIT UP-FRONT. IF YOU DO NOT AGREE YOU MAY BE REFUSED TRAVEL.

Complaints or Compliments Should Be Addressed to:

THE LICENSING OFFICE, PARKER LANE, BURNLEY BB11 2DT OR BY E MAIL TO licensing@burnley.gov.uk

Remember to note the taxi plate number and ask for a receipt for the journey

Proposed:

Hackney Carriage Table of Fares

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The Empty Homes Programme

REPORT TO EXECUTIVE



DATE	13th July 2022
PORTFOLIO	Housing and Leisure
REPORT AUTHOR	John Killion
TEL NO	3188
EMAIL	jkillion@burnley.gov.uk

PURPOSE

1. To seek approval to make several Compulsory Purchase Orders (CPOs) for long term vacant properties in the private sector.
2. To dispose of the properties in accordance with the Council's Disposal of Empty Dwellings Policy and scheme of delegation or to Calico Homes as appropriate.
3. To seek approval for a programme of external property Facelifting works on Albion Street Padiham, Wytham Street Padiham, and to the rears of Windsor Street and Ivory Street.
4. To seek approval to build a property on the site of 10A Briercliffe Road, suitable for a family with a disabled member (subject to necessary permissions from Planning etc) using Better Care Funding.

RECOMMENDATION

5. That the Head of Housing and Development Control in consultation with the relevant Executive Member approve in pursuance of the powers obtained under Section 17 of the Housing Act 1985 (as amended) to make the following compulsory purchase orders for the purpose of renovation and/or re-sale by the most appropriate method:

The Burnley (18 Russell Terrace Padiham Burnley) Compulsory Purchase Order 2022
 The Burnley (22 Wythburn Close Burnley) Compulsory Purchase Order 2022
 The Burnley (25 Crow Wood Burnley) Compulsory Purchase Order 2022
 The Burnley (38 Woodbine Road Burnley) Compulsory Purchase Order 2022
 The Burnley (12 Herbert Street Burnley) Compulsory Purchase Order 2022
 The Burnley (39 Herbert Street Burnley) Compulsory Purchase Order 2022
 The Burnley (47 Piccadilly Road Burnley) Compulsory Purchase Order 2022
 The Burnley (7 Parkinson Street Burnley) Compulsory Purchase Order 2022
 The Burnley (80 Reed Street Burnley) Compulsory Purchase Order 2022
 The Burnley (17 Thurston Street Burnley) Compulsory Purchase Order 2022
 The Burnley (23 Thurston Street Burnley) Compulsory Purchase Order 2022
 The Burnley (25 Thurston Street Burnley) Compulsory Purchase Order 2022
 The Burnley (24 Newman Street Burnley) Compulsory Purchase Order 2022
 The Burnley (10A Briercliffe Road Burnley) Compulsory Purchase Order 2022

6. That the Head of Legal and Democratic Services be authorised to agree terms for the acquisition of the properties, to acquire the properties in this report by agreement as an alternative to compulsory purchase in accordance with the terms of delegation.
7. To authorise the Head of Legal and Democratic Services to make minor amendments, modifications or deletions to the CPO schedule of interests and map, should this be necessary, and to finalise the making and submission of the CPO, including promoting the Council's case at public inquiry, if necessary.
8. Subject to confirmation by the Secretary of State to authorise the Head of Legal and Democratic Services to secure full title to and possession of the CPO land as appropriate by:
 - Serving notice of confirmation of the CPO on all interested parties
 - Serving notice of intention to execute a General Vesting Declaration
 - Executing the General Vesting Declaration
 - Serving Notices to Treat and/or Entry as appropriate
 - Acquiring land and interests by agreement if possible
9. That the Executive authorises the tendering of any renovation/building works in accordance with SOC 1, 15 and 16 and delegates power to accept the tender to the Head of Housing and Development Control.
10. That the Executive approves that the proceeds from the sale of the properties is recycled back into the Empty Homes Programme for further acquisitions and renovations.

REASONS FOR RECOMMENDATION

11. The owners of these properties have been contacted and have either not responded at all or have given no reasonable proposals for renovating the property or bringing it back into housing use.
12. These properties are long term vacant properties, being empty, in one case for 19 years. Without intervention by the Council through acquisition by agreement or CPO the properties may remain vacant, continue to deteriorate, attract anti-social behaviour, fly-tipping and arson, all of which cause fear in local residents, resulting in a declining neighbourhood.

18 Russell Terrace Padiham Burnley vacant since 11th February 2020
22 Wythburn Close Burnley vacant for approximately 4 years
25 Crow Wood Burnley vacant since 14th October 2016
38 Woodbine Road Burnley vacant since 30th June 2017
12 Herbert Street Burnley vacant since 14th January 2013
39 Herbert Street Burnley vacant since 19th January 2013
47 Piccadilly Road Burnley vacant since 12th February 1996
7 Parkinson Street Burnley vacant since 21st January 2011
80 Reed Street Burnley vacant since 22nd April 2019

17 Thurston Street Burnley vacant since 9th November 2017
23 Thurston Street Burnley vacant since 15th May 2012
25 Thurston Street Burnley vacant since 21st March 1998
24 Newman Street Burnley vacant since 3rd July 2020
10A Briercliffe Road Burnley vacant since at least 2008
91 Basnett Street Burnley vacant since 1st March 2015
18 Raglan Road Burnley vacant since 13th September 2017

13. To use facelifting as a regeneration tool in certain areas to improve the external appearance of blocks, to assist in raising property values, to assist in raising demand and so reducing the number of empty properties and to encourage complementary investment in the properties by their owners.
14. To further improve the appearance of key gateways and main thoroughfares.
15. Through the Vacant Property Initiative and Empty Homes Programme over 150 properties have been acquired, refurbished and re-sold or re let, bringing those properties back into use and providing high quality accommodation.

SUMMARY OF KEY POINTS

16. The Empty Homes Programme (EHP) is an established project and is an amalgamation of programmes used over the last several years. The initiative identifies properties that have been vacant for a long period of time, and which are causing problems for neighbouring properties and local residents, mainly supporting the five current Selective Licensing designations but also borough wide.
17. Since the inception of the programme in 2004, the number of empty properties reached its height in 2009 when there were 3232 empties. Since then, the number has steadily fallen and last year reached the new low figure of 1832.
18. Negotiations for the acquisition of the properties have not yet commenced on the majority of the properties as no contact has been received from the owners. If the owners do contact the Council efforts will be made to purchase the properties by agreement.
19. Where owners contact us, we will work with them to reach an agreement for bringing the property back in to use preventing the need for a CPO. If agreement cannot be reached satisfactorily, the council will use the CPO power as a last resort to ensure the property is brought back in to use.
20. If the owners do not come forward to receive their market value compensation within a six year period then we can no longer be held to account for the compensation monies as the Limitation Act 1980 comes into force.
21. The main purpose of facelifting schemes are to contribute to the transformation of the housing market, give confidence to the community in a neighbourhood through works to external elevations of sustainable homes including works such as stone cleaning, siliconing, pointing and gutter replacement to front and gable curtilages.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

22. The cost of delivering the properties detailed in this report will be funded from the approved Empty Homes Capital Programme 2022/23. It is not envisaged that all the CPOs listed in this report will be made in this financial year as properties may be brought back in to use by owners prior to making the CPO or properties may be bought by agreement.
23. The majority of the cost associated with the programme are made up of two elements, buying the property and the renovation cost. We can reasonably assume, given past experience, that the selling prices for the properties above would vary from between £65,000 to around £175,000 once renovated. We can also assume that we would need to spend around £40,000 renovating each of the properties (maybe as much as £50,000 in one or two cases).
24. Throughout this financial year properties will be chosen from the list above, as well as any other approved lists later in the year, that will ensure that the entire budget for 2022/23 is committed by year end.
25. Any receipts generated from the sale of properties will be recycled back into the programme to enable the purchase and renovation of more problem properties.
26. Enquiries are currently being made on several fronts regarding the land at 10A Briercliffe Road. Officers are exploring the possibility of using Better Care funding to build a property on the land. This would be used to house a family with a disabled member.
27. Initial estimates on the cost of drawings/planning permission are around £2,000. The cost of building the property to be met from Better Care Funds.
28. The required funding for the Facelifting works in this report are estimated to be in the region of £300-350,000. This will be met from the 22/23 budget.

POLICY IMPLICATIONS

29. Overall, the proposed action will help to achieve the Council's strategic plan of "People Places Prosperity and Performance". The acquisition and renovation of the vacant properties will enable the Council to bring them back into use, which will improve the environment for residents in the vicinity of the vacant properties by reducing the potential for crime and anti-social behaviour.
30. In terms of Human rights Act implications, Government advice is that local authorities must strike a fair balance between the demands of the community and the need to protect individual's fundamental rights. In considering this balance, one of the issues that a court would look for is whether compensation will be payable. The level of compensation is of course negotiable between the Council and the property owner's Valuer. In addition, individual rights are protected by the statutory objection and inquiry procedure.
31. It is anticipated that the recommendations in this report will have no further policy implications.

DETAILS OF CONSULTATION

BACKGROUND PAPERS

FURTHER INFORMATION

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ALSO:

Clare Jackson (Private Sector Housing Manager)

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REPORT TO EXECUTIVE



DATE	13th July 2022
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	Adil Ahmed
TEL NO	01282 477172
EMAIL	adil.ahmed@burnley.gov.uk

Final Revenue Outturn Position 2021/22

PURPOSE

1. To report the provisional position on the Council's revenue accounts for 2021/22.

RECOMMENDATION

2. That the Executive Members are requested to recommend that Full Council approve:
 - a) The provisional final position on the Council's revenue account for 2021/22 shows a net underspend of £221k which has been transferred to the Revenue Support Reserve. The projected overspend from the outturn position estimated during quarter 3 budget monitoring was £12k.
 - b) The transfers to/from Earmarked Reserves totalling a net £1.098m increase to reserves (see Appendix 2).
 - c) The approval of additional revenue budget carry forward requests from Heads of Service totalling £1.349m (see Appendix 3).

REASONS FOR RECOMMENDATION

3. To conclude the revenue budget monitoring process for 2021/22 and report the final outturn position as outlined in the Council's Statement of Accounts for 2021/22.

SUMMARY OF KEY POINTS

Revenue Outturn position

4. Members will recall that there were three quarterly budget monitoring reports to the Executive during 2021/22. These reports disclosed that there were anticipated variations in spending and income compared with the revised budget. The third and most recent in-year monitoring report to Full Council, in February 2022, estimated a year end overspend of £12k on the revenue account.
5. The Government announced some financial interventions to help support local authorities and their residents/businesses with the ongoing Coronavirus pandemic. Of these financial interventions the Council has received a direct funding allocation of £0.719m out of a Central Government fund of £1.155bn. This was an unringfenced grant to manage the Council's immediate and long-term impacts of the pandemic.

Members will recall that it was approved at Full Council in July 2021 to transfer £1.588m into the Covid-19 Recovery reserve. The reserve has been called upon in 2021/22 to fund related additional expenditure or loss of income and to provide funding for recovery initiatives. New Burdens funding of £151k has been received in year of which £135k has been transferred to the Covid-19 Recovery reserve. In addition, £719k Tranche 1 Covid Support funding was also transferred to reserve. A movement between reserves has resulted in £1m being transferred out to the Town Centre Masterplan reserve. Overall, there has been a net transfer out from the reserve of £413k. The balance available at the end of 2021/22 is £1.175m for use in future years.

6. The Government also provided an extension to the Sales Fees & Charges Compensation Scheme to compensate for loss of income for the first quarter of the financial year. Where these income losses were more than 5% of a council's planned income from sales, fees and charges, the Government provided funding for 75p in every pound lost due to the pandemic. The Council had submitted claims for the first quarter of 2021/22 for income losses totalling £0.237m however £0.101m is to be repaid relating to court fee income compensation. The forecast loss of court fee income did not materialise and as such the Council is not eligible for this element of the compensation.
7. The final outturn on the Council's revenue account for 2021/22 has moved from an overspend position of £12k as estimated in the quarter 3 budget monitoring report to a year end underspend of £221k (see Appendix 1).

Table 1 below shows actual spend compared to budget and the associated variance for each service department.

		REVISED BUDGET £000	ACTUAL £000	VARIANCE £000
a	Economy and Growth	666	373	-293
b	Policy and Engagement	485	424	-61
c	Management Team	361	353	-8
d	Sport and Culture Leisure Client	781	819	38
e	Green Spaces and Amenities	1080	1025	-56
f	Streetscene	3065	3242	177
g	Housing and Development Control	361	331	-30
h	Strategic Partnership	3945	3938	-8
i	Finance and Property	-633	-637	-4
j	Revenues and Benefits Client	-1287	-940	346
k	Legal and Democratic Services	957	841	-116
l	People and Development	237	196	-41
m	Central Budgets - Other <i>(includes corporate costs eg utilities, apprenticeship levy)</i>	1153	1128	-25
	Central Budgets - Savings <i>Targets</i>	-248	0	248
	NET SERVICE BUDGET	10923	11092	169
	Pensions	772	776	4
	Provisions <i>(Balance to be determined at year end)</i>	0	0	0
	Impairments <i>(Provisions for Bad Debt)</i>	0	0	0
	Parish Precepts <i>(Disbursement to Parishes)</i>	169	169	0
	Treasury <i>(Investment Income & Expenditure)</i>	1250	1059	-191
	Capital Financing	1428	1214	-213
	Earmarked Reserves (to / (from))	267	77	-190
	Strategic Reserves (to / (from))	610	810	200
	NET CORPORATE ITEMS	4496	4106	-390
	Council Tax	-7266	-7266	0
	Parish Precepts <i>(Receipts from Council Tax Payers)</i>	-169	-169	0
	Business Rates: Retained Income	-4513	-4513	0
	Business Rates: S31 Grants <i>(For award of business rates relief)</i>	-1442	-1442	0
	Prior Year Collection Fund (Surplus)/Deficit	632	632	0
	Revenue Support Grant	-1649	-1649	0
	New Homes Bonus	-564	-564	0
	Other Government Grants	-449	-449	0
	FUNDING	-15419	-15419	0
	BUDGET BALANCE	0	-221	-221

A summary of the significant variances since quarter 3 is shown in the table below:

	Significant Variances £'000s
Underspends / Increased Income	
Reduced expenditure on Burnley Market Hall costs	(96)
Reduced Treasury Management activity costs	(331)
Increased Corporate Property and Land rents income (net of increase to provision for bad debt)	(31)
Reduced costs on Capital Financing	(213)
Increased Cremation & Burial income	(98)
Reduced costs relating to Elections	(74)
Transfer to Reserve	
LA Support Grant Allocation to be transferred to reserve	719

9. Reserves Transfers

The Executive is asked to recommend to Full Council approval of the movements in earmarked reserves being a net overall increase in the year of £1.098m, see Appendix 2, from £21.706m at the start of the year to an end position of £22.804m. This is an increase of £3.264m to the estimated year end position forecast at quarter 3.

Of the transfers to reserves, it is proposed to decrease the Covid Recovery reserve from the £1.588m, approved in the 20/21 revenue outturn monitoring report, to £1.175m. As stated previously, this reserve will be utilised to fund any future reduction in income, additional expenditure pressures, to support the recovery phase of the pandemic and to provide additional funding to resource any business-as-usual activities where service has been reprioritised during the pandemic.

Carry forwards of £1.349m have been requested, of which £0.406m relate to externally funded Covid-19 grant schemes and £0.390m to other sources of external funding. For all externally funded schemes it has been agreed by the funding provider that unspent monies can be carried forward for spend in 2022/23, if not the funding will have to be returned. The balance of £0.553m is made up of carry forward request from the council's revenue budgets – see Appendix 3.

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

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

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

POLICY IMPLICATIONS

11. The provisional outturn position will be reflected in the draft Statement of Accounts which will show the spending by the Council in pursuit of declared objectives in that financial

year and the reserves and balances available for future spending. Following a consultation exercise carried out by MHCLG the deadline for completion of the draft Statement of Accounts has been extended from 31st May to 31st July and the audited Statement of Accounts from 31st July to 30th September. These deadlines are in accordance with recommendation 10 of the Redmond Review, and the change was for a 2 year period: 2020/21 and 2021/22.

The draft Statement of Accounts will be subject to audit by the Council's external auditors, Grant Thornton UK LLP. There may be minor adjustments to the figures included within the provisional outturn as a result of the audit. The Accounts will be reported to the Audit and Standards Committee.

DETAILS OF CONSULTATION

12. None.

BACKGROUND PAPERS

13. None.

FURTHER INFORMATION

PLEASE CONTACT:

**Adil Ahmed
Principal Accountant**

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Revenue Underspending 2021/22**Appendix 1**Cumulative
£000s**Forecast budget deficit position at 31/12/21 - Cycle 3****12****Final Variances****Expenditure Savings**

Savings on Salary related costs in Economy and Growth due to Vacant Posts in Business Support and Burnley Town Centre teams	(80)		
Reduced Election costs mainly due to staffing cost savings split over Local, County and Police Crime and Commissioner elections with the additional Cabinet Office grant received for delivering the local elections in a covid secure way	(74)		
Reduced Burnley Market Hall costs across various spend areas such as advertising and repairs	(96)		
Reduced costs on MRP Capital Financing due to Capital programme slippage into future years	(213)		
Treasury Management activity costs lower than expected mainly due to maintained internal borrowing	(331)		
		(794)	

Increased Income

Increased income from car parking daily and contract charges	(51)		
Increased Cremation & Burial income	(98)		
Increased Public Realm Work income	(11)		
Increased Corporate Property and Land rents income (net of increase to provision for bad debt)	(31)		
		(191)	(985)

Grant Funding

LA Support Grant Allocation transferred to Covid Reserve	719		
		719	719

Other minor net overspends/(underspends) under £20k	33		
		33	33

Use of Reserves

Transfer to Revenue Support Reserve to achieve provisional outturn break even position	221	221	221
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Break even position for year**-**

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		2020/21			2021/22		
		Movements			Movements		
Transfers to/from Earmarked Reserves	Balance at 31 March 2020 £000s	Net transfers In/(Out) £000s	between Reserves £000s	Balance at 31 March 2021 £000s	Net transfers In/(Out) £000s	between Reserves £000s	Balance at 31 March 2022 £000s
Earmarked Reserves							
Specific Reserves							
Taxi Licensing	4	-	-	4	-	-	4
Selective Licensing	389	291	-	680	(201)	-	479
Local Development Framework	22	-	-	22	-	20	42
Housing Benefit Admin Subsidy	-	-	-	-	-	-	-
Transport & Plant Replacement	21	15	-	36	15	-	51
Rail Services	-	-	-	-	-	-	-
Revenue Grants Unapplied	228	(55)	-	173	266	(90)	349
Flood	-	-	-	-	-	-	-
Primary Engineer	37	-	-	37	-	-	37
Town Centre Management	-	-	-	-	-	-	-
Town Centre & Weavers Triangle	95	-	-	95	-	1,000	1,095
Charter Walk Refurbishment (New)	-	-	-	-	75	-	75
Charter Walk Regeneration (New)	-	-	-	-	778	-	778
Burnley Bondholders	22	23	-	45	14	-	59
Business Rates Retention Volatility	3,946	7,377	(5,614)	5,710	3,502	-	9,212
Cremator Relining	45	(45)	-	-	19	-	19
Revenue Support	404	161	-	565	395	-	960
Carry Forwards	47	2,122	30	2,199	(850)	-	1,349
Regeneration Reserve	340	-	350	690	(128)	21	583
Sandygate Sinking Fund	-	40	-	40	41	-	81
Sandygate Smoothing	-	103	485	588	(3)	-	585
Pensions	-	350	-	350	358	-	708
Elections	-	38	-	38	20	-	58
Covid-19 Recovery	-	1,588	-	1,588	628	(1,041)	1,175
Housing Initiatives	-	-	51	51	356	90	497
Collection Fund Deficit	-	-	5,264	5,264	(5,203)	-	61
Pioneer Place Smoothing (New)	-	-	-	-	-	-	-
Townley Park Events (New)	-	-	-	-	12	-	12
Energy Volatility (New)	-	-	-	-	194	-	194
	5,600	12,008	566	18,175	288	-	18,463
Strategic Reserves							
Transformation	1,808	750	(566)	1,992	810	-	2,802
Growth	2,124	(586)	-	1,538	-	-	1,538
	3,932	164	(566)	3,531	810	-	4,341
Total	9,532	12,172	-	21,706	1,098	-	22,804

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Service Unit / Task	Details	2021/22 Budget £	2021/22 Forecast Outturn £	2021/22 (Under) / Over Spend £	Amount to be Approved Q4 £
Finance & Property					
Climate Change	Various climate change measures	100,000	28,000	(72,000)	72,000
Sub-total		100,000	28,000	(72,000)	72,000
Green Spaces and Amenities					
Burnley Bonfire	Request c/f of surplus income from this year's event towards next year	(21,182)	(24,978)	(3,796)	3,796
Civiger Meadows	Donation received for seeding of wildflowers in Cliviger	6,110	0	(6,110)	6,110
Donation - Friends of Towneley Park	Request to carry forward unspent donations	0	(3,489)	(3,489)	3,489
Grounds Maintenance	Donations received for commemorative benches	(14,000)	(20,136)	(6,136)	6,136
Sub-total		(29,072)	(48,603)	(19,531)	19,531
Streetscene					
Other Surface Car Parks	For a structural assessment at Pioneer River Culvert.	79,975	46,189	(33,786)	25,000
Lighting at Car Parks	For works associated with lighting on the Council's car parks.	(387,054)	(459,129)	(72,075)	61,000
Charter Walk - Trade Waste	£20k to make the transition for Charter Walk to Council Waste Service - procurement of a large number of bins to be commenced end of March	45,200	25,079	(20,121)	20,000
Camera Installation New Vehicles	Vehicles delayed - due to arrive in April - Carry forward budget required to install cameras onto the vehicles	26,154	17,056	(9,098)	9,098
Recycling Phase 2	Due to complete Spring 2022	38,000	21,756	(16,244)	16,244
Target Hardening	Delayed spend due to Covid. Request to carry forward budget into 2022/23	11,520	3,686	(7,834)	7,834
Sub-total		(186,205)	(345,364)	(159,159)	139,176
Legal & Democratic Services					
Local Land Charges	To cover the costs of employing a Local Land Charges Assistant to assist in dealing with the increased workload and with data cleansing prior to the migration of Local Land Charges to Her Majesty's Land Registry during the year 2022/2023.	(62,614)	(108,387)	(45,773)	45,773
Insurances	For revaluation of Towneley Hall artwork prior to building works	290,267	229,546	(60,721)	10,000
Elections	To fund the employment of a Kickstart Apprentice to May 2022 to assist with elections.	8,230	4,643	(3,587)	1,900
Member Training	To fund new member training approaches including Development Control moving from in-house provision to external	3,518	1,100	(2,418)	2,418
Sub-total		239,401	126,902	(112,499)	60,091

<u>Economy & Growth</u>						
Burnley Branding	Saving this year to be used to outsource Business Awards		38,627	34,298	(4,329)	4,329
Local Plan Budget	Local Plan Budget		2,365	0	(2,365)	2,365
			22,580	2,429	(20,151)	20,151
Sub-total			63,572	36,727	(26,845)	26,845
<u>Housing & Development Control</u>						
Development Control Agency Staff	Utilise Salary savings this year to keep Agency staff in post for 2022/23		130,586	66,035	(64,551)	64,551
Private Sector Housing Renewal	Part time post to Identify Families living in Fuel Poverty (Green Party Request)		15,090	0	(15,090)	15,090
Private Sector Housing Renewal Agency Budget	Savings this year to utilise for Agency in 2022/23		45,237	38,482	(6,755)	6,755
Sub-total			190,913	104,517	(86,396)	86,396
	Totals		378,609	(97,821)	(476,430)	404,039

Externally Funded Covid-19 Grant Schemes to be Carried Forward to 2022/23

Service Unit / Task	Details	2021/22 Budget £	2021/22 Forecast Outturn £	2021/22 (Under) / Over Spend £	Amount to be Approved £
Corporate					
COMF (Contain Outbreak Management Fund)	Approval from UK Health Security Agency that unspent monies from the Contain Outbreak Management Fund (COMF) can be carried forward into financial year 2022-23	846,055	635,744	(210,311)	210,311
LCC Community Testing Grant	Ringfenced funding to support costs of testing	116,227	102,015	(14,212)	14,212
Covid Recovery Plan	Three year plan	381,961	200,080	(181,881)	181,881
Sub-total		1,344,243	937,839	(406,404)	406,404
	Totals	1,344,243	937,839	(406,404)	406,404

Externally Funded Grant Schemes to be Carried Forward to 2022/23

Service Unit / Task	Details	2021/22 Budget £	2021/22 Forecast Outturn £	2021/22 (Under) / Over Spend £	Amount to be Approved £
<u>Policy & Engagement</u>					
Self Isolation Sprint 2 Project	Grant funding received in year not fully spent. To be rolled forward to 2022/23	62,000	36,549	(25,451)	25,451
Sub-total		62,000	36,549	(25,451)	25,451
<u>Streetscene</u>					
Community Safety - Safer Streets Project	Grant funding received in year not fully spent. To be rolled forward to 2022/23	39,945	38,192	(1,753)	1,753
Sub-total		39,945	38,192	(1,753)	1,753
<u>Economy & Growth</u>					
HAZ Heritage Action Zone	Cultural programme grant funding received in year not fully spent. To be rolled forward to 2022/23	24,000	9,600	(14,400)	13,756
Community Renewal Fund	Community Renewal Fund of £298k received in total, and the carry forward balance requested to be added on 2022/23 monies due	268,769	149,377	(119,392)	119,392
Levelling Up Fund	Levelling Up grant funding received in year not fully spent. To be rolled forward to 2022/23	125,000	69,688	(55,312)	55,313
Defra Grant - Planning Policy	Defra grant funding received in year not fully spent. To be rolled forward to 2022/23	0	(10,047)	(10,047)	10,047
Sub-total		417,769	218,618	(199,151)	198,508
<u>Housing & Development Control</u>					
Flexible Homeless Grant	To Fund post and temporary accommodation budget	107,464	16,206	(91,258)	91,258
Homelessness	To Fund Rough Sleepers and the ABEN project	102,378	87,889	(14,489)	14,489
Cold Weather Fund	To Fund post and temporary accommodation budget	15,000	5,046	(9,954)	9,954
Vulnerable Tenants	To Fund post and temporary accommodation budget	47,070	5,924	(41,146)	41,146
Sub-total		271,912	115,065	(156,847)	156,847
<u>Corporate</u>					
Kickstart	DWP Kickstart funding	13,500	5,893	(7,607)	7,607
Sub-total		13,500	5,893	(7,607)	7,607
Totals		805,126	414,317	(390,809)	390,166

Request for Prior Year Carry Forwards to be Carried Forward to 2022/23

Service Unit / Task	Details	2021/22 Budget £	2021/22 Forecast Outturn £	2021/22 (Under) / Over Spend £	Amount to be Approved £
Policy & Engagement					
Childrens University	Carry forward from 2019/20 but not utilised due to Covid 19. Request to carry forward to 2022/23				6,920
Digital Transformation (ldox)	Carry forward from 2019/20 but not utilised due to Covid 19. Request to carry forward to 2022/23				13,085
Cyber Resilience Grant	Funding of £200k received March 2021 for delivery of the Cyber Treatment Plan. Request to carry forward to 2022/23				74,043
Sub-total		0	0	0	94,048
Green Spaces and Amenities					
Thompson Park donations	£2541 c/f released from reserves in year to fund trees for Thompson Park - underspend at end of year to go back into reserves	2,541	525	(2,016)	2,016
Grounds Maintenance	£6939 c/f released from reserves in year to fund additional benches - underspend at end of year to go back into reserves	20,939	18,462	(2,477)	2,477
Special Items	Thompson Park fitness project equipment ordered 20/21 - carry forward requested due to delays in delivery				10,072
Sub-total		23,480	18,987	(4,493)	14,565
Economy & Growth					
Planning Policy Consultants Fees	Required for Supplementary Planning Document and Development Plan Document committed by Exec in Feb 2020. Work couldn't happen in FY21/22 due to lockdown and reassignment of officers to business grants and awaiting outcomes of the plan-making reforms (2020 planning white paper).				40,000
Sub-total		46,960	37,974	(8,986)	40,000
Totals		23,480	18,987	(4,493)	148,613

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REPORT TO EXECUTIVE



DATE	13th July 2022
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	Adil Ahmed
TEL NO	01282 477173
EMAIL	adil.ahmed@burnley.gov.uk

2021/22 Final Capital Outturn Position

PURPOSE

1. To report to Members on the performance of the 2021/22 capital investment programme and present the financing of capital expenditure incurred during 2021/22.
2. To seek approval of a revised 2022/23 capital budget after incorporating net carry forward commitments (slippage) from 2021/22.

RECOMMENDATION

3. That the Executive Members are requested to recommend that Full Council approve:
 - a) The final position on capital spending and financing of £33.504m for 2021/22 as shown in Appendices 1 & 2, which equates to 90% of the final resources position.
 - b) The revised capital budget for 2022/23 totalling £41.408m as outlined in Appendix 3, (including net carry forward of £3.617m).

REASONS FOR RECOMMENDATION

4. To conclude the capital budget monitoring process for 2021/22 and report the final outturn position as outlined in the Council's Statement of Accounts for 2021/22.
5. To increase the 2022/23 Council capital programme for amounts carried forward from 202/22 and other budget adjustments as shown in Appendix 3.

SUMMARY OF KEY POINTS

Capital Outturn Position

6. **Budget Changes and Expenditure Outturn Position:**

After incorporating all the recommendations approved throughout the financial year, the original capital budget of £18.792m (approved at Full Council on 24 February 2021) was revised to a final position of £36.671m per the cycle 3 capital monitoring report presented to the Executive on the 14 February 2022.

Appendix 1 shows the final resources and outturn position. Additional resources have been utilised in financing the outturn expenditure position totalling £0.715m split between:

- £0.205m of brought-forward funding from 2022/23 ("reverse slippage"), utilising in advance, resources originally approved within the 2022/23 capital programme at Full Council on 14 February 2022.
- £0.510m of other additional resources were identified, utilising more of the Better Care Funding.

Resources of £0.060m were no longer required, including £0.007m of Empty Homes Programme underspends, £0.007m Vehicle and Machinery Replacement revenue contribution, which were deducted from the budget and £0.046m for the Worsthorne Rereation Ground Improvements.

Therefore, the final position available to finance capital expenditure in 2021/22 totalled £37.325m. The final outturn level of expenditure incurred for 2021/22 totalled £33.504m which gives a net underspend of £3.821m or 90% spend against the final resources position.

Appendix 2 lists the financing elements of each scheme within the 2021/22 capital programme spend, totalling £33.504m.

7. **Carry Forward Requests (slippage)**

Members are asked to note that a net £3.617m (£3.822m slippage less £0.205m reverse slippage) is the total that has been recommended to be carried forward into 2022/23. The following schemes account for the majority of the total slippage requested:

Levelling Up Fund (£846k)

The Council received confirmation of the successful Levelling Up Fund bid in October 2021. The bid consisted of three schemes: UCLan Burnley Campus Expansion, Town 2 Turf Public Realm Transformation and Railway Station Accessibility Improvement. Work on the schemes will span three financial years (21/22 - 23/24) with a total spend of £22.5m. Due to a delay in receiving contract documentation from government, expenditure in year 1 has been reduced.

Pioneer Place (£891k)

Following the development agreement going unconditional the budget has been re-profiled to reflect the agreed timetable of works.

Burnley Pendle Growth Programme (£300k)

All works have been completed. Awaiting invoice from LCC

Building Infrastructure Works (£478k)

The capital schemes included in this budget spanned the 2020/21 and 2021/22 financial years. The majority of the works planned for 2021/22 are now complete, with slippage requested into 2022/23 to fund those works outstanding

NW Burnley Growth Corridor - Phase 1 (£366k)

Programme and budget is on track to spend its committed allocations. The slippage is requested to correct reprofiling of remaining budget into future years

Further details can be seen in Appendix 1.

8. Revised Capital Budget for 2022/23

Members are asked to approve a revised capital budget for 2022/23 after incorporating the adjustments identified within this outturn report.

Appendix 3 details the 2022/23 capital programme financing elements along with incorporating the year end resources adjustments and brought-forward funding elements identified within this outturn report, and incorporating the carry forward requests. This results in a revised capital programme totalling £41.408m.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

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

POLICY IMPLICATIONS

10. The final outturn position will be reflected in the Statement of Accounts which shows the spending by the Council in pursuit of declared objectives in that financial year and the reserves and balances available for future spending. Following a consultation exercise by MHCLG the deadline for the completion of the draft Statement of Accounts has been extended from 31st May to 31st July and the audited Statement of Accounts from 31st July to 30th September. These deadlines are in accordance with recommendation 10 of the Redmond Review. The Statement of Accounts will be reported to the Audit and Standards Committee.

DETAILS OF CONSULTATION

11. None.

BACKGROUND PAPERS

12. None.

FURTHER INFORMATION

PLEASE CONTACT:

Adil Ahmed – Principal Accountant

Final Capital Outturn Position for 2021/22

APPENDIX 1

Scheme Name	Final Budget Position Approved by Executive	Additional Resources Utilised at Year End		Resources no longer required / available	Final Resources Position At Year End	Expenditure Outturn Position	Expenditure Outturn to Final Resources Position as at Year End	Slippage Requested
		Additional Financing made available at Year End	"Reverse Slippage" Budgets utilised from 2022/23					
	£	£	£	£	£	£	%	£

GREEN SPACES AND AMENITIES

Brun Valley Forest Park	35,219	-	-	-	35,219	12,432	35%	22,787
Play Area Improvement Programme	110,927	-	-	-	110,927	26,926	24%	84,001
Memorial Park Improvements	-	-	6,958	-	6,958	6,958	100%	-
Worsthorne Recreation Ground Improvements	122,705	-	-	(46,000)	76,705	73,925	96%	2,780
Vehicle and Machinery Replacement	175,000	-	-	(6,816)	168,184	142,998	85%	25,186
Thompson Park Restoration Project	51,173	-	-	-	51,173	26,255	51%	24,918
Stoops Wheeled Sport	925	-	-	-	925	-	0%	925
Playing Pitch Improvements	10,000	-	-	-	10,000	400	4%	9,600
Extension of Burnley Cemetery	25,000	-	-	-	25,000	-	0%	25,000
Refill Fountains	20,500	-	-	-	20,500	15,500	76%	5,000
Towneley Hall Building Works	326,205	-	-	-	326,205	194,988	60%	131,217
Prairie Artificial Turf Pitch	40,812	-	-	-	40,812	24,971	61%	15,841
	918,466	-	6,958	(52,816)	872,608	525,353	60%	347,255

STREETSCENE

Alleygate Programme	25,684	-	-	-	25,684	23,812	93%	1,872
River Training Walls	12,856	-	7,708	-	20,564	20,564	100%	-
Electric Vehicle Rapid Charge Points	101,755	-	-	-	101,755	101,755	100%	-
Safer Streets	396,256	-	-	-	396,256	373,799	94%	22,457
	536,551	-	7,708	-	544,259	519,930	96%	24,330

REGENERATION AND PLANNING POLICY

Padiham Townscape Heritage Initiative	756,772	-	-	-	756,772	694,677	92%	62,095
Pioneer Place	3,756,000	-	-	-	3,756,000	2,865,154	76%	890,846
Town Centre and Weavers Triangle Project Work	-	-	2,204	-	2,204	2,204	100%	-
Sandygate Square	24,062	-	4,288	-	28,350	28,350	100%	-
NW Burnley Growth Corridor - Phase 1	1,902,342	-	-	-	1,902,342	1,536,067	81%	366,276
Burnley-Pendle Growth Programme	300,000	-	-	-	300,000	-	0%	300,000
Levelling Up Fund	1,535,613	-	-	-	1,535,613	687,078	45%	848,535
Lower St James Street Historic Action Zone	484,062	-	168,885	-	652,947	435,682	67%	217,265
Finsley Wharf & Canal Towpath Improvements	33,000	-	-	-	33,000	33,000	100%	-
Vision Park	-	-	14,880	-	14,880	14,880	100%	-
Former Open Market & Former Cinema Block	57,738	-	-	-	57,738	-	0%	57,738
	8,849,589	-	190,257	-	9,039,846	6,297,091	70%	2,742,755

FINANCE

Building Infrastructure Works	1,663,838	-	-	-	1,663,838	1,185,551	71%	478,287
Acquisition of Charter Walk	22,238,000	-	-	-	22,238,000	22,058,129	99%	179,871
	23,901,838	-	-	-	23,901,838	23,243,680	97%	658,158

LEISURE

Leisure Centre Improvements	104,069	-	-	-	104,069	54,772	53%	49,297
	104,069	-	-	-	104,069	54,772	53%	49,297

HOUSING AND DEVELOPMENT CONTROL

Emergency Repairs	120,000	33,692	-	-	153,692	153,692	100%	-
Better Care Grant	1,300,000	474,521	-	-	1,774,521	1,774,521	100%	-
Energy Efficiency	40,000	1,815	-	-	41,815	41,815	100%	-
Empty Homes Programme	900,000	-	-	(7,214)	892,786	892,786	100%	-
	2,360,000	510,028	-	(7,214)	2,862,814	2,862,814	100%	-

Final Capital Outturn Position for 2021/22	36,670,513	510,028	204,924	(60,030)	37,325,434	33,503,639	90%	3,821,794
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CAPITAL 2021/22 - FINAL SPEND POSITION																	APPENDIX 2
Scheme Name	Final Spend Position £	FINANCING ELEMENTS															Total Financed Position £
		Prudential Borrowing £	Revenue Contributions / Reserves £	Better Care Grant £	Historic England Fund £	Heritage Lottery Fund £	Lancashire Enterprise Partnership £	LCC £	ERDF £	Football Foundation £	Sport England £	Home Office £	Levelling Up Fund £	Capital Receipts £	Vacant Property Initiative Receipts £	S106 Payments / 3rd Party Contributions £	
SERVICE UNIT: GREEN SPACES AND AMENITIES																	
Brun Valley Forest Park	12,432	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,432	12,432
Play Area Improvement Programme	26,926	-	-	-	-	-	-	-	-	-	-	-	-	4,365	-	22,562	26,926
Memorial Park Improvements	6,958	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,958	6,958
Worsthorne Recreation Ground Improvements	73,925	-	-	-	-	-	-	-	73,925	-	-	-	-	-	-	-	73,925
Vehicle and Machinery Replacement	142,998	-	142,998	-	-	-	-	-	-	-	-	-	-	-	-	-	142,998
Thompson Park Restoration Project	26,255	-	-	-	-	26,255	-	-	-	-	-	-	-	-	-	-	26,255
Stoops Wheeled Sport	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Playing Pitch Improvements	400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	400	400
Extension of Burnley Cemetery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Refill Fountains	15,500	-	15,500	-	-	-	-	-	-	-	-	-	-	-	-	-	15,500
Towneley Hall Building Works	194,988	194,988	-	-	-	-	-	-	-	-	-	-	-	-	-	-	194,988
Prairie Artificial Turf Pitch	24,971	-	-	-	-	-	-	-	-	24,971	-	-	-	-	-	-	24,971
	525,353	194,988	158,498	-	-	26,255	-	-	-	98,897	-	-	-	4,365	-	42,351	525,353
SERVICE UNIT: STREETSCENE																	
Alleygate Programme	23,812	-	-	-	-	-	-	-	-	-	-	-	-	23,812	-	-	23,812
River Training Walls	20,564	-	-	-	-	-	-	-	-	-	-	-	-	20,564	-	-	20,564
Electric Vehicle Rapid Charge Points	101,755	-	-	-	-	-	-	-	-	-	-	-	-	-	-	101,755	101,755
Safer Streets	373,799	-	-	-	-	-	-	-	-	-	373,799	-	-	-	-	-	373,799
	519,930	-	-	-	-	-	-	-	-	-	373,799	-	44,376	-	-	101,755	519,930
SERVICE UNIT: REGENERATION AND PLANNING POLICY																	
Padiham Townscape Heritage Initiative	694,677	-	-	-	-	664,781	-	-	-	-	-	-	-	14,811	-	15,085	694,677
Pioneer Place	2,865,154	-	-	-	-	-	2,865,154	-	-	-	-	-	-	-	-	-	2,865,154
Town Centre and Weavers Triangle Project Works	2,204	-	-	-	-	-	-	-	-	-	-	-	-	2,204	-	-	2,204
Sandygate Square	28,350	28,350	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,350
NW Burnley Growth Corridor - Phase 1	1,536,067	-	-	-	-	-	1,186,067	-	350,000	-	-	-	-	-	-	-	1,536,067
Burnley Middle Growth Programme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Levelling Up Fund	687,078	-	-	-	-	-	-	-	-	-	-	687,078	-	-	-	-	687,078
Lower James Street Historic Action Zone	435,682	-	-	-	435,682	-	-	-	-	-	-	-	-	-	-	-	435,682
Finsley Wharf & Canal Towpath Improvements	33,000	-	33,000	-	-	-	-	-	-	-	-	-	-	-	-	-	33,000
Vision Park	14,880	-	-	-	-	-	14,880	-	-	-	-	-	-	-	-	-	14,880
Former Open Market & Former Cinema Block	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	6,297,091	28,350	33,000	-	435,682	664,781	4,066,100	-	350,000	-	-	687,078	17,015	-	-	15,085	6,297,091
SERVICE UNIT: FINANCE																	
Building Infrastructure Works	1,185,551	980,941	-	-	-	-	-	-	-	-	-	-	-	204,610	-	-	1,185,551
Acquisition of Charter Walk	22,058,129	22,058,129	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,058,129
	23,243,680	23,039,071	-	-	-	-	-	-	-	-	-	-	-	204,610	-	-	23,243,680
SERVICE UNIT: LEISURE																	
Leisure Centre Improvements	54,772	-	-	-	-	-	-	-	-	-	-	-	-	54,772	-	-	54,772
SERVICE UNIT: HOUSING AND DEVELOPMENT CONTROL																	
Emergency Repairs	153,692	-	-	153,692	-	-	-	-	-	-	-	-	-	-	-	-	153,692
Better Care Grant	1,774,521	-	-	1,774,521	-	-	-	-	-	-	-	-	-	-	-	-	1,774,521
Energy Efficiency	41,815	-	-	41,815	-	-	-	-	-	-	-	-	-	-	-	-	41,815
Empty Homes Programme	892,786	-	-	-	-	-	-	-	-	-	-	-	-	-	892,786	-	892,786
	2,862,814	-	-	1,970,028	-	-	-	-	-	-	-	-	-	-	892,786	-	2,862,814
Total	33,503,639	23,262,408	191,498	1,970,028	435,682	691,036	4,066,100	-	350,000	98,897	-	373,799	687,078	325,137	892,786	159,191	33,503,639

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2022/23 CAPITAL BUDGET AND FINANCING ELEMENTS

APPENDIX 3

Service Unit	Scheme Name	Original Budget £	Reprofiled from 2021/22 £	Reverse Slippage £	Revised Budget £	FINANCING ELEMENTS															Total Proposed Budget £
						Prudential Borrowing £	Revenue Cont'n / Reserves £	Better Care Grant £	Historic England Fund £	LCC £	Heritage Lottery Fund £	Lancashire Enterprise Partnership £	ERDF £	Football Foundation £	Sport England £	Home Office £	Capital Receipts £	Vacant Property Initiative Receipts £	Levelling Up Fund £	3rd Party / Section 106 Unsecured £	
Green Spaces & Amenities	Burnley Leisure Property Maintenance	100,000			100,000	100,000															100,000
Green Spaces & Amenities	Play Area Improvement Scheme	68,000	84,001		152,001												88,636			63,365	152,001
Green Spaces & Amenities	Vehicle and Machinery Replacement	150,000	25,186		175,186		160,186													15,000	175,186
Green Spaces & Amenities	Changing Place	43,469			43,469															43,469	43,469
Green Spaces & Amenities	Crematorium Improvements	132,000			132,000	132,000															132,000
Green Spaces & Amenities	Extension of Burnley Cemetery	-	25,000		25,000	25,000															25,000
Green Spaces & Amenities	Scott Park HLF	25,000			25,000												25,000				25,000
Green Spaces & Amenities	Memorial Park Improvements	153,000		(6,958)	146,042												39,000			107,042	146,042
Green Spaces & Amenities	Playing Pitch Improvements	361,000	9,600		370,600															370,600	370,600
Green Spaces & Amenities	Towneley Hall Works	2,375,000	131,217		2,506,217	2,506,217															2,506,217
Green Spaces & Amenities	Brun Valley Forest Park	-	22,787		22,787															22,787	22,787
Green Spaces & Amenities	Worsthorne Recreation Ground Improvements	-	2,780		2,780									2,780							2,780
Green Spaces & Amenities	Thompson Park Restoration	-	24,918		24,918						24,918										24,918
Green Spaces & Amenities	Stoops Wheeled Sport	-	925		925										925						925
Green Spaces & Amenities	Refill Fountains	-	5,000		5,000		5,000														5,000
Green Spaces & Amenities	Prairie Artificial Turf Pitch	-	15,841		15,841									15,841							15,841
Streetscene	River Training Walls	92,406		(7,708)	84,698												84,698				84,698
Streetscene	Alleygate Programme	25,000	1,872		26,872												26,872				26,872
Streetscene	Electric Vehicle Charging Scheme (Council Match Funding)	50,000			50,000												50,000				50,000
Streetscene	Safer Streets	-	22,457		22,457											22,457					22,457
Economy & Growth	Padiham Townscape Heritage Initiative	568,947	62,095		631,042						486,988						5,905			138,149	631,042
Economy & Growth	Pioneer Place	13,942,996	890,846		14,833,842	11,017,596				3,000,000		816,246									14,833,842
Economy & Growth	NW Burnley Growth Corridor - Phase 2 Lower St James Street Historic Action Zone	350,000	366,276		716,276						180,000	186,276	350,000								716,276
Economy & Growth	Firsley Wharf & Canal Towpath Improvements	968,911	217,265	(168,885)	1,017,291	238,455	185,000		379,263											214,573	1,017,291
Economy & Growth	Vision Park	39,386		(14,880)	24,506				32,733			(14,880)					6,653				24,506
Economy & Growth	Town Centre & Weavers Triangle Project Work	625,574		(2,204)	623,370	625,574											(2,204)				623,370
Economy & Growth	Leveling Up Fund	12,166,078	848,535		13,014,613														13,014,613		13,014,613
Economy & Growth	Sandygate Halls (Commercial Units & Car Parking)	194,876		(4,288)	190,588	190,588															190,588
Economy & Growth	Burnley-Pendle Growth Programme Former Open Market & Former Cinema Block	-	300,000		300,000		300,000														300,000
Finance & Property	Leisure Centre Improvements	75,000	49,297		124,297	75,000											49,297				124,297
Finance & Property	Building Infrastructure	474,188	478,287		952,475	242,428	49,500										660,547				952,475
Finance & Property	Carbon Reduction Measures	159,610			159,610	159,610															159,610
Finance & Property	IT Upgrades	7,000			7,000												7,000				7,000
Finance & Property	Audio & Visual Upgrade to Facilitate On- line Meetings	100,000			100,000		100,000														100,000
Housing & Development	Emergency Repairs	120,000			120,000			120,000													120,000
Housing & Development	Better Care Grant	2,000,000			2,000,000			2,000,000													2,000,000
Housing & Development	Energy Efficiency	40,000			40,000			40,000													40,000
Housing & Development	Empty Homes Programme	1,300,000			1,300,000													1,300,000			1,300,000
Finance & Property	Charter Walk Refurbishment	1,000,000	179,871		1,179,871	1,179,871															1,179,871
Finance & Property	Charter Walk Property Maintenance	50,000			50,000		50,000														50,000
	TOTAL OF ALL SCHEMES	37,791,441	3,821,794	(204,924)	41,408,311	16,550,077	883,686	2,160,000	411,996	3,000,000	691,906	987,642	350,000	18,620	925	22,457	1,041,404	1,300,000	13,014,613	974,985	41,408,311

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REPORT TO EXECUTIVE



DATE	13th July 2022
PORTFOLIO	Resources and Performance Management
REPORT AUTHOR	Howard Hamilton-Smith
TEL NO	01282 477172
EMAIL	Hhamilton-smith@burnley.gov.uk

Annual Treasury Management Report Review of 2021/2 Activity

PURPOSE

1. To inform members of the Council's treasury management activity during 2021/22.

RECOMMENDATION

2. That the Executive recommends that Full Council note the annual treasury management activity for the year ended 31 March 2022.

REASONS FOR RECOMMENDATION

3. To comply with the regulations issued under the Local Government Act 2003 to produce an annual treasury management report review of activities and the actual prudential and treasury indicators for 2021/22. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code). Performance against the approved prudential and treasury indicators are shown in Appendix 1.

During 2021/22 the minimum reporting requirements were that Full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Full Council 24 February 2021)
- a mid-year treasury update report (Full Council 08 December 2021)
- an annual review following the end of the year describing the activity compared to the strategy (this report).

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

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

This Council confirms that it has complied with the requirement under the Code to give prior scrutiny to all of the above treasury management reports by the Scrutiny Committee before they were reported to Full Council. Member training on treasury management issues was undertaken during the year on 25 November 2021 in order to support Members' scrutiny role.

SUMMARY OF KEY POINTS

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

UK. Economy. Over the last two years, the coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16th December 2021, 0.50% at its meeting of 4th February 2022 and then to 0.75% in March 2022.

The UK economy has endured several false dawns through 2021/22, but with most of the economy now opened up and nearly back to business-as-usual, the GDP numbers have been robust (9% y/y Q1 2022) and sufficient for the MPC to focus on tackling the second-round effects of inflation, now that the CPI measure has already risen to 6.2% and is likely to exceed 8% in April.

Gilt yields fell towards the back end of 2021, but despite the war in Ukraine gilt yields have shot higher in early 2022. At 1.38%, 2-year yields remain close to their recent 11-year high and 10-year yields of 1.65% are close to their recent six-year high. These rises have been part of a global trend as central banks have suggested they will continue to raise interest rates to contain inflation.

Historically, a further rise in US Treasury yields will probably drag UK gilt yields higher. There is a strong correlation between the two factors. However, the squeeze on real household disposable incomes arising from the 54% leap in April utilities prices as well as rises in council tax, water prices and many phone contract prices, are strong headwinds for any economy to deal with. In addition, from 1st April 2022, employees also pay 1.25% more in National Insurance tax. Consequently, inflation will be a bigger drag on real incomes in 2022 than in any year since records began in 1955.

Average inflation targeting. This was the major change in 2020/21 adopted by the Bank of England in terms of implementing its inflation target of 2%. The key addition to the Bank's forward guidance in August 2020 was a new phrase in the policy statement, namely that "it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and *achieving the 2% target sustainably*". That mantra now seems very dated, and supply side shortages, labour shortages, commodity price inflation, the impact of Russia's invasion of Ukraine and subsequent Western sanctions all point to inflation being at elevated levels until well into 2023.

World growth. World growth is estimated to have expanded 8.9% in 2021/22 following a contraction of 6.6% in 2020/21.

Deglobalisation. Until recent years, world growth has been boosted by increasing globalisation i.e. countries specialising in producing goods and commodities in which they have an economic advantage and which they then trade with the rest of the world. This has boosted worldwide productivity and growth, and, by lowering costs, has also depressed inflation. However, the rise of China as an economic superpower over the last 30 years, which now accounts for 18% of total world GDP (the USA accounts for 24%), and Russia's recent invasion of Ukraine, has unbalanced the world economy. In addition, after the pandemic exposed how frail extended supply lines were around the world, both factors are now likely to lead to a sharp retrenchment of economies into two blocs of western democracies v. autocracies. It is, therefore, likely that we are heading into a period where there will be a reversal of world globalisation and a decoupling of western countries from dependence on China (and to a much lesser extent Russia) to supply products and vice versa. This is likely to reduce world growth rates.

Central banks' monetary policy. During the pandemic, the governments of western countries have provided massive fiscal support to their economies which has resulted in a big increase in total government debt in each country. It is therefore very important that bond yields stay low while debt to GDP ratios slowly subside under the impact of economic growth. This provides governments with a good reason to amend the mandates given to central banks to allow higher average levels of inflation than we have generally seen over the last couple of decades. Both the Fed and Bank of England have already changed their policy towards implementing their existing mandates on inflation, (and full employment), to hitting an average level of inflation. Greater emphasis could also be placed on hitting subsidiary targets e.g. full employment before raising rates. Higher average rates of inflation would also help to erode the real value of government debt more quickly.

5. **The Strategy for 2021/22**

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

Investment returns remained close to zero for much of 2021/22. Most local authority lending managed to avoid negative rates and one feature of the year was the continued growth of inter local authority lending. The expectation for interest rates within the treasury management strategy for 2021/22 was that Bank Rate would remain at 0.1% until it was clear to the Bank of England that the emergency level of rates introduced at the start of the Covid-19 pandemic were no longer necessitated. The Bank of England and the Government also maintained various monetary and fiscal measures, supplying the banking system and the economy with massive amounts of cheap credit so that banks could help cash-starved businesses to survive the various lockdowns/negative impact on their cashflow. The Government also supplied huge amounts of finance to local authorities to pass on to businesses. This meant that for most of the year there was much more liquidity in financial markets than there was demand to borrow, with the consequent effect that investment earnings rates remained low until towards the turn of the year when inflation concerns indicated central banks, not just the Bank of England, would need to lift interest rates to combat the second-round effects of growing levels of inflation (CPI was 6.2% in February).

While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the financial crisis.

These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

Investment balances have been kept to a minimum through the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing and investment rates. Such an approach has also provided benefits in terms of reducing the counterparty risk exposure, by having fewer investments placed in the financial markets.

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

During 2021/22, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were very low and minimising counterparty risk on placing investments also needed to be considered.

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

6. **The Borrowing Requirement and Debt**

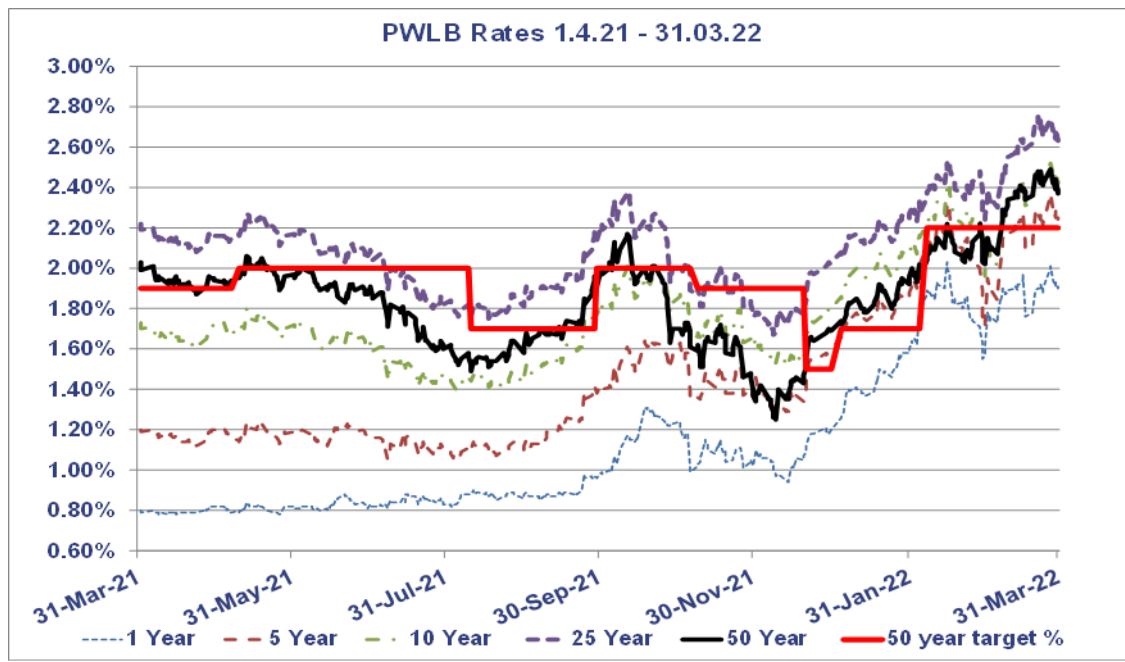
The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR). The table below shows the Council's CFR for 2021/22. The council revised its' CFR in the mid-year report, approved by Full Council on 8 December 2021, due to the significant increase to the capital programme during the year including the acquisition of Charter Walk.

£m	31 March 2021 Actual	31 March 2022 Budget	31 March 2022 Actual
CFR General Fund	41.7	71.4	63.9

7. **Borrowing Rates in 2021/22**

PWLB rates are based on gilt (UK Government bonds) yields through H.M.Treasury determining a specified margin to add to gilt yields. The main influences on gilt yields are Bank Rate, inflation expectations and movements in US treasury yields. Inflation targeting by the major central banks has been successful over the last 30 years in lowering inflation and the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of interest rates and bond yields in financial markets over the last 30 years. We have seen, over the last two years, many bond yields up to 10 years in the Eurozone turn negative on expectations that the EU would struggle to get growth rates and inflation up from low levels. In addition,

there has, at times, been an inversion of bond yields in the US whereby 10 year yields have fallen below shorter term yields. In the past, this has been a precursor of a recession. Recently, yields have risen since the turn of the year on the back of global inflation concerns.



8. Borrowing Outturn for 2021/22

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

Date	Lender	Principal	Type	Interest Rate	Duration
14/10/21	PWLB	£18m	Annuity	2.15%	30 years
10/2/22	PWLB	£4.7m	Annuity	2.22%	30 years
10/2/22	PWLB	£2m	Maturity	1.93%	50 years
10/2/22	PWLB	£2m	Maturity	1.94%	49 years

This compares to a budget assumption of borrowing at an interest rate between 2.1 and 2.15%.

9. **Rescheduling** – No rescheduling was done during the year as the average 1% differential between PWLB new borrowing rates and premature repayment rates made rescheduling unviable.
10. **Repayments** – The following PWLB loans were repaid during the year, as scheduled:

Date	Lender	Principal	Balance at Repayment	Type	Interest Rate	Duration
31/3/22	PWLB	£1.0m	£1.0m	Maturity	5.13%	22.5 years
31/3/22	PWLB	£0.2m	£0.2m	Maturity	4.88%	21.5 years

Investment Rates in 2021/22

The Council operates a deposit account with its' bank, HSBC, which pays an interest rate of 0.09% below Bank Rate. There was an average daily total of £18.7m being invested within the HSBC "sweep" deposit account in 2021/22. This was higher than the usual level of deposit due to the large amount of government funding being made available for distribution to businesses during the pandemic.

Investment Outturn for 2021/22

Investment Policy – the Council's investment policy is governed by DLUHC investment guidance, which has been implemented in the annual investment strategy approved by Full Council on 24 February 2021. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data. This guidance is enhanced by advice from Link Asset Services.

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

Investments held by the Council - the Council maintained a daily average balance of £31.3m of internally managed funds during 2021/22. These investments earned an average rate of return of 0.20%.

There was a total of 7 market investments made during the financial year, totalling £20m. The table below shows the amount deposited, and the rate of return against the market benchmark.

Counterparties	Date of Investment	Investment Made £m	Return	Benchmark
Goldman Sachs (6 mth fixed)	10/09/2021	2.0	0.145%	0.33%
Goldman Sachs (6 mth fixed)	02/11/2021	2.0	0.41%	0.33%
Standard Chartered Sustainable (1 mth fixed)	17/02/2022	4.0	0.37%	0.0796%
Lloyds Bank Corporate Markets (3 mth fixed)	17/02/2022	4.0	0.65%	0.17%
Goldman Sachs (6 mth fixed)	10/03/22	2.0	1.16%	0.33%
Standard Chartered Sustainable (1 mth fixed)	16/03/22	4.0	0.71%	0.0796%
Burnley College (15 yr fixed)	28/03/22	2.0	4.45%	N/A

All investments were for one year or under, with the exception of a fixed loan of £2m over 15 years, made to Burnley College for the purpose of the development of its' campus.

The table below shows the maximum amount invested with any of the counterparties at any one time during the period April 2021 to the end of March 2022 against the maximum limits approved in the 2021/22 Treasury Management Strategy.

Counterparties	Maximum Limits £m	Highest level of Investment 2021/22 (£m)
HSBC	50.0	44.4
Standard Chartered Sustainable	4.0	4.0
Goldman Sachs	4.0	4.0
Santander UK plc	4.0	4.0
Lloyds Bank Corporate Markets	4.0	4.0
Burnley College	4.0	2.0
Moray Council	2.0	2.0

11. **Interest payable on External Borrowing / Interest Receivable on Investments**
The total PWLB interest payable on external borrowing for 2021/22 was £1,281,297 compared to the annual budget of £1,497,407.

The total interest receivable on temporary investments in 2021/22 amounted to £59,642 compared to the revised annual budget of £124k. The shortfall in interest received was due to sustained low interest rates throughout the year, and a delay in completion of the Burnley College loan to the end of March.

12. **Property Fund Investments, & dividends received**
The Council continues to invest £2m in property funds with CCLA and Hermes. Dividends receivable amounted to £68,136 compared to a budget of £60,000.

The aim of the Property Fund investments is to provide high levels of income and long-term capital appreciation. During the pandemic, the UK economy and commercial property market have proved to be more resilient than many initial forecasts. The UK economy outlook and business confidence have been improving following positive outcomes from the vaccination programme and a gradual lifting of lockdown restrictions. Whilst the long-term social, economic, and political risks associated with the current pandemic and the war in Ukraine are still unknown, there are signs that the impact to occupier and investor confidence in certain property market segments is starting to ease.

Valuations of both property funds exceeded the initial investment at the end of March 2022. (CCLA £1.057m, Hermes £1.067m)

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

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

POLICY IMPLICATIONS

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

DETAILS OF CONSULTATION

15. None

BACKGROUND PAPERS

16. None.

FURTHER INFORMATION PLEASE CONTACT:
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Appendix 1: Prudential and Treasury Indicators

During 2021/22, the Council complied with its legislative and regulatory requirements. The key actual prudential and treasury indicators detailing the impact of capital expenditure activities during the year, with comparators, are as follows:

Actual prudential and treasury indicators £m	2020/21 Actual	2021/22 Original	2021/22 Actual
Capital expenditure General Fund	11.9	18.8	33.5
Capital Financing Requirement: General Fund	41.7	50.4	63.9
Gross borrowing	35.7	47.5	61.1
Investments Under 1 year	19.8	19.8	36.2
Net borrowing	15.9	27.7	24.9

Gross borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year (2021/22) plus the estimates of any additional capital financing requirement for the current (2022/23) and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allows the Council some flexibility to borrow in advance of its immediate capital needs in 2021/22.

The authorised limit - the authorised limit is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2021/22 the Council has maintained gross borrowing within its authorised limit.

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

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

£m	2021/22
Authorised limit	86.3
Maximum gross borrowing position	61.1
Operational boundary	78.5
Average gross borrowing position	45.2
Financing costs as a proportion of net revenue stream	14.1%

Overall Treasury Position as at 31 March 2022 – At the beginning and end of 2021/22 the Council's treasury position was as follows:

The maturity structure of the debt portfolio was as follows:

	31 March 2021 Principal £m	Rate/ Return	Average Life yrs	31 March 2022 Principal £m	Rate/ Return	Average Life yrs
Fixed rate funding:						
PWLB	35.7	3.07%	17.5	61.1	2.08%	17.3
	31 March 2021 Actual £m		31 March 2022 Actual £m			
Total debt	35.7		61.1			
Capital Financing Requirement	41.7		63.9			
Over / (under) borrowing	(6.0)		(2.8)			
Total investments	19.8		36.2			
Net debt	15.9		24.9			

The maturity structure of the debt portfolio was as follows:

	31 March 2021 Actual £m	2021/22 Original Limits £m	31 March 2022 Actual £m
Under 12 months	1.2	1.1	1.6
12 months and within 24 months	1.1	2.9	3.4
24 months and within 5 years	4.9	2.1	3.8
5 years and within 10 years	1.1	1.0	4.2
10 years and within 20 years	0.1	0.1	7.6
20 years and within 30 years	-	-	9.2
30 years and within 40 years	5.5	6.5	6.5
40 years and within 50 years	21.8	33.9	24.8
Totals	35.7	47.6	61.1

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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