

EXECUTIVE

Tuesday, 15th August, 2017
6.30 pm





EXECUTIVE

BURNLEY TOWN HALL

Tuesday, 15th August, 2017 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 Governance, Law & Regulation by 5.00pm on the day before the meeting. Forms can be obtained for this purpose from the reception desk at Burnley Town Hall or the Contact Centre, Parker Lane, Burnley. Forms are also available on the Council's website www.burnley.gov.uk/meetings.

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 4th July 2017.

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) Empty Homes CPO** 11 - 14
To consider a report on Empty Homes CPO.
- 8) Energy Company Obligation Flexible Funding (ECO Flex)** 15 - 26
To adopt a Lancashire wide Statement of Intent to enable residents to access Energy Company Obligation (ECO) funding.
- 9) Empire Theatre** 27 - 70
To consider a report on the Empire Theatre.
- 10) Heritage Lottery Fund (HLF) Funding for Padiham Townscape Heritage** 71 - 74
To consider a report on HLF funding for Padiham Townscape Heritage.
- 11) Revenue Monitoring Q1 2017-18** 75 - 84
To consider a report on Revenue Monitoring Q1 2017-18.
- 12) Capital Monitoring Q1 2017-18** 85 - 98
To consider a report on Capital Monitoring Q1 2017-18.
- 13) 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.

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
- 14) Water Procurement** 99 - 102
To consider changes to the current arrangements for the supply of water and water related services to the Council.
- Information relating to the financial or business affairs of any particular person (including the authority holding that information)

MEMBERSHIP OF COMMITTEE

Councillor Mark Townsend (Chair)
Councillor John Harbour (Vice-Chair)
Councillor Sue Graham

Councillor Lian Pate
Councillor Mohammed Ishtiaq

PUBLISHED

Monday, 7 August 2017



EXECUTIVE

BURNLEY TOWN HALL

Tuesday, 4th July, 2017 at 6.30 pm

PRESENT

MEMBERS

Councillors M Townsend (Chair), J Harbour (Vice-Chair), S Graham, L Pate and M Ishtiaq

OFFICERS

Mick Cartledge	– Chief Operating Officer
Lukman Patel	– Head of Governance, Law, Property, and Regulation
Paul Gatrell	– Head of Housing & Development Control
Eric Dickinson	– Democracy Officer

6. Minutes

The Minutes of the last meeting held on the 6th June 2017 were confirmed as a correct record and signed by the Chair.

7. Minutes of Individual Decisions

The Minute of the following individual decision made since the last meeting was noted;

Minute 7- Sussex Street Lease Variation

8. Declaration of Interest

Councillors Mohammed Ishtiaq, Lian Pate, and Mark Townsend declared a Disclosable Pecuniary Interest in the item relating to the Housing Act 2016.

9. Play Strategy

Purpose To approve the Play Area Strategy 2017-2026 and its recommendations.

Reason for Decision The recommendations contained in this report will ensure that the Council is able to maintain a good level of equipped play area provision across the Borough, to a high standard and within the resources available.

Decision

- (1) That the recommendations contained in the Play Strategy to refurbish 16 play areas over the next 10 years in partnership with park friends and local residents groups be approved;
- (2) That the recommendations contained in the strategy for the closure and relocation of 8 play areas be approved;
- (3) That it be noted that consultation will take place with ward members and local residents regarding proposals for the relocation and refurbishment of play areas in individual wards; and
- (4) That it be noted that capital funding of £250,000 will be required to support the proposed play area improvement programme during the period 2018 to 2026.

10. Housing and Planning Act 2016

Councillors Mohammed Ishtiaq, Lian Pate, and Mark Townsend left the room and did not take part in this item

Purpose To implement the new enforcement powers contained in the Housing and Planning Act 2016 (Part 2 Rogue landlords and property agents in England) including the use of civil penalty notices.

Reason for Decision The use of these new powers will support and complement the work that the Council continues to deliver to tackle rogue landlords. The civil penalties and extension of the use of rent repayment orders could be a powerful deterrent to rogue landlord behaviour through the enforcement of significant financial penalties

Decision

- (1) That the Council's Policy and Matrix for the use of Civil Penalties (Appendix 1) be approved;
- (2) That all powers be delegated to the Head of Housing and Development Control to issue, use and enforce civil penalties as

detailed in the Housing and Planning Act 2016 (and any regulations made there under);

(3) That all powers be delegated to the Head of Housing and Development Control to issue, use and enforce rent repayment orders as detailed in the Housing and Planning Act 2016 (and any regulations made there under);and

(4) That the money received from the civil penalties be returned to the housing revenue budget to fund further enforcement activity.

11. Local Development Scheme

Purpose To present for Executive's approval a revised Local Development Scheme (LDS) setting out the programme for the remaining stages of the preparation of the Burnley Local Plan.

Reason for Decision Councils are required by legislation to prepare and maintain a Local Development Scheme (LDS) setting out the development plan documents the Council intends to prepare, their scope and the timetable for their preparation.

The Council's current LDS was adopted in March 2016 and needs revising to reflect the Council's revised plan-making programme.

Decision That the revised Local Development Scheme (LDS) attached at Appendix 1 be adopted, subject to an amendment that the date of the adoption of the Local Plan be changed from March 2018 to before July 2018.

12. Council Tax Support Scheme

Purpose To seek approval to maintain the Council Tax Support Scheme broadly 'as is' for 2018/19, save for minor changes to the process of backdated claims, and to explain the reasons for suggesting that any changes identified as a result of the major review be implemented from 2019/20 rather than 2018/19.

Reason for Decision It was previously planned to undertake a major review of the CTS scheme during this year, but subsequently the roll-out of Universal Credit 'full service' was implemented on 17th May 2017. Therefore its full impact will not be known until late 2017 / early 2018. In light of this it is recommended that it would not be appropriate to implement a further significant change to the support that is available to residents on lower incomes until the full impacts of Universal Credit are known.

Over the next 3 to 4 years Burnley Council can expect the housing benefit caseload to fall by approximately one half, to around 4,500 to 5,000 claims. This is due to more residents transferring to universal credit and having their housing costs met that way. Time is required to understand the possible impact that this change will have on the way potential and existing Council Tax Support claimants use our services.

Decision That Full Council be recommended ;

- (1) That the changes to the Council Tax Support Scheme with respect to backdated claims, as set out in paragraph 8, be approved;
- (2) That all other aspects of the Council Tax Support Scheme for 2018/19 be maintained; and
- (3) That the timelines for the continuing review of the scheme in time for implementation in 2019/20 be noted.

13. Business Rates- Discretionary Scheme 2017/18

Purpose To advise Members of the new measures to assist businesses that were introduced in the Spring Budget. There has been a delay in receiving the detail (due to the General Election) but the Government is advising that there is no reason that Councils cannot proceed with implementing their schemes. There is an element of discretion within the new measures and we are seeking advice on whether Members wish to modify the suggested scheme (at Appendix 1).

Reason for Decision The attached scheme incorporates Government objectives in providing funding for local schemes. Help should be directed at those ratepayers who faced the biggest increases in their bills and / or who occupy the properties with lower rateable values. It also allows for flexibility to ensure that expenditure remains within the funding allocated by Government.

Decision That Full Council be recommended;

- (1) That the Discretionary Relief Scheme set out in Appendix 1 be approved; and
- (2) That the associated updates to the Council's Discretionary Rate Relief Policy (Appendix 3) be approved, subject to an amendment that any references to the Director of Resources be changed to the Council's Section 151 Officer.

14. Final Outturn Position 2016/17

Purpose To report the final position on the Council's revenue and capital accounts for 2016/17

To report to Members on the performance of the 2016/17 capital investment programme and present the financing of capital expenditure incurred during 2016/17

To seek approval of a revised 2017/18 capital budget after incorporating net carry forward commitments (slippage) from 2016/17.

Reason for Decision To conclude the revenue and capital budget monitoring process for 2016/17 and report the final outturn position as outlined in the Council's Statement of Accounts for 2016/17.

To increase the 2017/18 Council capital programme for amounts carried forward from 2016/17 and other budget adjustments as shown in Appendix 5.

Decision That Full Council be recommended;

- (1) That the final position on the Council's revenue account for 2016/17 and the net overall surplus, compared with the revised budget of £377k as shown in the table in paragraph 8 which equates to approximately 2.5% of the net revenue budget, be approved;
- (2) That the transfers to/from Earmarked Reserves totalling a net £1.059m to reserves (see Appendix 2) be approved;
- (3) That the additional revenue budget carry forward requests from Heads of Service totalling £201k (an increase of £141k) from those previously approved in February 2017 (see Appendix 3) be approved;
- (4) That the final position on capital spending and financing of £6.790m for 2016/17 as shown in Appendices 4 & 5, which equates to 85% of the final resources position, be approved; and
- (5) That the revised capital budget for 2017/18 totalling £12.794m as outlined in Appendix 6, (including net carry forward of £0.727m) be approved.

15. Annual Treasury Management Review of 2016/17 Activity

Purpose To inform members of the Council's treasury management activity during 2016/17.

Reason for Decision To comply with the regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the prudential and treasury indicators for 2016/17. 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).

For 2016/17 the minimum reporting requirements were that the full Council should receive the following reports:

- an annual treasury strategy in advance of the year (Council 24/02/16)
- a mid-year treasury update report (Council 21/12/16)
- 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.

he recommendations contained in this report will ensure that the Council is able to maintain a good level of equipped play area provision across the Borough, to a high standard and within the resources available.

Decision That Full Council be recommended that the annual treasury management activity for the year ended 31 March 2017 be noted.

The Empty Homes Programme

REPORT TO EXECUTIVE



DATE	15th August 2017
PORTFOLIO	Housing and Environment
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.

RECOMMENDATION

3. That the Executive 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 (13 Wren Street Burnley) Compulsory Purchase Order 2017

The Burnley (65 Briercliffe Road Burnley) Compulsory Purchase Order 2017

The Burnley (9 Every Street Burnley) Compulsory Purchase Order 2017

The Burnley (21 Norman Street Burnley) Compulsory Purchase Order 2017

The Burnley (44 Piccadilly Road Burnley) Compulsory Purchase Order 2017

The Burnley (1 Bracewell Street Burnley) Compulsory Purchase Order 2017

The Burnley (142 Mitella Street Burnley) Compulsory Purchase Order 2017

The Burnley (27 Cleaver Street Burnley) Compulsory Purchase Order 2017

The Burnley (3 Heath Street Burnley) Compulsory Purchase Order 2017

The Burnley (43 Cleaver Street Burnley) Compulsory Purchase Order 2017

The Burnley (12 Moseley Road Burnley) Compulsory Purchase Order 2017

4. That the Head of Governance Law Property & Regulation 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.

5. To authorise the Head of Governance, Law, Property & Regulation 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.
6. Subject to confirmation by the Secretary of State to authorise the Head of Governance, Law, Property & Regulation 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
7. That the Executive authorises the tendering of any renovation works in accordance with SOC 1, 15 and 16 and delegates power to accept the tender to the Head of Housing and Development Control.
8. 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

9. 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.
10. These properties are long term vacant properties, being empty, in one case, for 17 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.
11. Through the Vacant Property Initiative and Empty Homes Programme over 120 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

12. The Empty Homes Programme (EHP) is an established project and is an amalgamation of the Clusters Programme and the Vacant Property Initiative used to tackle long-term vacant properties. 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.
13. 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.

14. 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.
15. 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.
16. The Statements of Reasons and maps are available in the Members Room and are not attached to this report. These Statements will be added to as we continue to try to make contact with owners and buy by agreement before making the CPO.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

17. The cost of delivering the properties detailed in this report will be funded from the Empty Homes programme. 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.
18. 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 £45,000 for properties on Norman and Every Street to around £80,000 for Mitella Street, once renovated. We can also assume that we would need to spend around £30-35,000 renovating the properties.
19. Throughout this financial year properties will be chosen from the list (due to advanced lead times when carrying out a CPO) above that will ensure that the entire budget for 2018/19 is spent by year end.
20. Any receipts generated from the sale of properties will be recycled back in to the programme to enable the purchase and renovation of more problem properties.

POLICY IMPLICATIONS

21. Overall, the proposed action will help to achieve the Council's strategic plan of "People Places and Prosperity". 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.
22. 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.

23. It is anticipated that the recommendations in this report will have no further policy implications.

DETAILS OF CONSULTATION

24. None.

BACKGROUND PAPERS

25. None.

FURTHER INFORMATION

PLEASE CONTACT: John Killion (Project Officer Vacants). 01282 425011 ext 3188.

ALSO: Clare Jackson (Private Sector Housing Manager) 01282 477231

REPORT TO EXECUTIVE



DATE	15th August 2017
PORTFOLIO	Housing and Environment
REPORT AUTHOR	Clare Jackson
TEL NO	01282 477231
EMAIL	cjackson@burnley.gov.uk

Energy Company Obligation Flexible Funding (ECO Flex)
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PURPOSE

1. To adopt a Lancashire wide Statement of Intent (Appendix 1) so that residents are able to access Energy Company Obligation (ECO) funding.

RECOMMENDATION

2. To approve the Council's participation in the Cosy Homes in Lancashire (CHiL) Statement of Intent for ECO Flexible Funding.
3. That the Head of Housing and Development Control is authorised to sign a declaration confirming that a resident of Burnley meets the eligibility criteria for ECO Flexible Funding.

REASONS FOR RECOMMENDATION

4. To maximise funding into Burnley to improve the energy efficiency of homes within the Borough, subsequently assisting those residents in fuel poverty.

SUMMARY OF KEY POINTS

5. Cosy Homes in Lancashire is a consortium of all 14 local authorities in Lancashire and the County Council. The consortium works together to attract energy efficiency funding into Lancashire.
6. Through the new ECO Flexible funding every local authority can make a declaration to an energy company for a qualifying resident to receive a range of energy efficiency measures. To take part in ECO Flex each local authority must have a statement of intent which details the criteria for a qualifying resident. The statement of intent has been agreed through CHiL and is contained within Appendix 1 to this report.
7. Each local Authority anticipates that the eligibility criteria will bring energy efficiency

measures to residents that have traditionally not qualified for help in the past because they were not on an appropriate benefit.

8. Through the CHiL consortium we are able to attract larger energy companies to work across Lancashire delivering the energy efficiency measures. Discussions are currently being held with E.ON who will pay £80 per measure. This fee would go to Firefly to cover admin costs for taking enquiries, referrals, pre-qualifying and managing the partnership with E.ON. This would be an extension to them being procured to deliver the recent Central Heating Fund. An SLA will be signed between E.ON and Firefly to avoid the local authorities having to enter into a contract. There is no exclusivity with E.ON and CHiL will continue to seek other funders and partners.
9. Measures offered by E.ON are cavity wall and loft insulation, central heating, oil boilers, room in roof and electric storage heaters. E.ON also have various options for able to pay customers, including 2 years interest free credit. This would be up to the householder to take up. E.ON's own network of local contractors would be used, CHiL has asked for details so that we know who's working on our scheme and can have some level of input.
10. E.ON are also offering to put on an event for CCGs, highlighting regional case studies where CCG's have supported affordable warmth interventions, and one for Landlords which will be linked to the EPC requirements coming in in April 2018.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

11. There are no direct financial implications to the Council. The installation measures are funded through the energy companies and ECO flex.

POLICY IMPLICATIONS

12. No direct policy implications outside the scope of this report

DETAILS OF CONSULTATION

13. None

BACKGROUND PAPERS

14. None

FURTHER INFORMATION

PLEASE CONTACT: Clare Jackson

ALSO: Stephen Nutter

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Cosy Homes in Lancashire (CHiL) Statement of Intent for ECO Flexible Eligibility

Overview

Cosy Homes in Lancashire (CHiL) is a brand established by the County in 2014 to improve the energy efficiency of Lancashire Homes, address health inequalities exacerbated by living in cold damp homes, reduce fuel poverty, tackle seasonal excess deaths and reduce carbon emissions from the domestic sector. It is supported by the 12 district and 2 unitary councils in Lancashire and the County Council. The CHiL Steering Group is led by Blackpool Public Health and reports to the three Directors of Public Health in Lancashire and the Public Health Consultant's Collaborative. There is a CHiL Operational Group made up of Energy Officers from the councils that oversee day to day activity and report to the Steering Group quarterly. Central to CHiL's success has been an administration hub that provides a single point of contact for residents providing the reassurance and certainty to apply for measures from a trustworthy source. The Hub processes all applications for CHiL initiatives whether they are via Government ECO (Energy Company Obligation) funding or other sources including coordinating local authority affordable warmth funding contributions to facilitate measures where ECO does not fully cover the entire cost. The Hub also works alongside the Operational Group to access new funding opportunities and negotiate contracts with utilities for Lancashire residents.

This Statement of Intent has been developed with the intention of supporting CHiL to participate in ECO2 transition and specifically flexible eligibility. It responds to the statutory requirements for [ECO Help to Heat](#) as set out in the [ECO2 Amendment Order](#) and the [guidance](#) to local authorities issued by the Department for Energy & Industrial Strategy (BEIS) on Flexible Eligibility. It sets out the criteria Lancashire authorities will use in making declarations under ECO Flexible Eligibility and the delivery arrangements in place.

Participating Local Authorities

Blackpool Council	Pendle Borough Council
Blackburn with Darwen Borough Council	Preston City Council
Burnley Borough Council	Ribble Valley Borough Council
Chorley Borough Council	Rosendale Borough Council
Fylde Borough Council	South Ribble Borough Council
Hyndburn Borough Council	West Lancs Borough Council
Lancashire County Council	Wyre Borough Council
Lancaster Borough Council	

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1. Introduction

Cosy Homes in Lancashire (CHiL) endeavours to deliver all the energy efficiency work by Local Authorities across the County. In 2015 Blackburn with Darwen Borough Council on behalf of CHiL secured £50,000 of funding from the DECC Health & Fuel Poverty Booster Fund as well as £2.24m from the DECC Central Heating Fund, both schemes were delivered successfully and in 2016 CHiL won a prestigious National [Ashden Award](#) in the sustainable homes category. From September 2014 to December 2016 CHiL has received 2,584 referrals from which it has installed 2,887 measures (not including advice) representing £5.1 m worth of investment in Lancashire housing stock. There is also a hospital in-reach scheme at Preston and Blackburn Hospitals as well as a 'Take Home and Settle' / in-reach scheme at the Blackpool Victoria Hospital making referrals to the scheme for vulnerable residents.

CHiL has developed a comprehensive website www.chil.uk.com that allows both professionals and residents to refer in for measures as well as a proactive social media campaign that generates referrals and important information.

CHiL maximises the number of energy efficiency measures that Lancashire residents access particularly those that are vulnerable to the effects of living in a cold home and / or are in fuel poverty or on a low income, by utilising local authority intelligence to target initiatives successfully. This includes proactive engagement in the lowest 25% Lower Super Output Areas for deprivation and those areas with high fuel poverty levels, particularly rural areas.

In 2014 (latest figures available) the Lancashire-14 area had 71,075 households in fuel poverty (11.3%). This is above the national average although the gap has narrowed with fuel poverty increasing slightly in England but decreasing slightly in the Lancashire-14 area between 2013 and 2014. In particular, those districts in Lancashire with the worst fuel poverty in 2013 have improved their position in 2014 but still have pockets of fuel poverty above 30% in some areas. An interactive map of fuel poverty in Lancashire is available here:

<http://dashboards.instantatlas.com/viewer/report?appid=76dd5dc8c5b041458608752ffd11b67a&authid=EeUdmTVM2tQfwwHh>

The links below identify the priorities for each council area as identified in their recent Home Energy Conservation Act (HECA) reports, all LAs will, however, be working under the CHiL brand to bring measures to residents who qualify under flexible eligibility.

HECA Link for Blackburn with Darwen Borough Council :

<http://www.blackburn.gov.uk/Lists/DownloadableDocuments/Blackburn%20with%20Darwen%20HECA%202017.pdf>

HECA Link for Blackpool Council:

<https://www.blackpool.gov.uk/Residents/Housing/Documents/HECA-RETURN-2017-BLACKPOOL-PDF.pdf>

Insert HECA links for Lancashire

Flexible Eligibility is a means for each local authority to make an application for a range of energy efficiency measures for qualifying residents through a declaration to an energy company on behalf of the resident. Lancashire will be utilising the CHiL brand for the purposes of this scheme. **All ECO Flexible Eligibility declarations in Lancashire will be managed through the CHiL admin hub.**

Each Local Authority anticipates that Flexible Eligibility will bring energy efficiency measures to residents that have traditionally not qualified for help in the past because they were not on an appropriate benefit. **When the local Authority makes a declaration on behalf of a resident this is not a guarantee that a measure will be installed.** The final decision will rest with the supplier who will take into account a number of factors including the savings that can be achieved by the resident as well as whether they have already reached their target. The CHiL hub will manage these declarations and approach individual local authorities for support if necessary.

2. How CHiL intends to identify eligible households

A) Criteria for identifying households living in fuel poverty

The [CSE fuel poverty](#) calculator will be used to identify households living with a low income and high fuel costs and, therefore deemed to be fuel poor.

In considering a household's savings the first £6,000 of savings will be disregarded.¹

For people under 60 every £250 of savings over £6,000 will be regarded as £1 per week of income.

For people over 60 every £500 of savings over £10,000 will be regarded as £1 per week of income.

Anyone with savings over £16,000 will **not** qualify for help

B) Criteria for identifying households living on a low income and vulnerable to the effects of living in a cold home

Households will be eligible for funding if they meet at least one of the following vulnerabilities and have a *low income.

Vulnerabilities:

- people with a diagnosed cardiovascular conditions
- people with a diagnosed respiratory conditions (in particular, chronic obstructive pulmonary disease and childhood asthma)
- people with diagnosed mental health conditions
- people with diagnosed disabilities

¹ This approach is consistent with other grant schemes such as Disabled Facilities Grant

- older people (65 and older)
- households with young children (up to the age of 5)
- pregnant women
- people who are terminally ill
- people with suppressed immune systems (e.g. from cancer treatment or HIV)
- people who have mobility issues and have attended hospital due to a fall

The following vulnerable groups will be considered on referral from a professional organisation:

- people who move in and out of homelessness
- people with addictions
- Recent immigrants and refugees.

*Low income

Low income will be determined by completion of the CSE Fuel Poverty calculator. £1,000 will be deducted from annual household income to take account of additional costs experienced by vulnerable households (e.g. medical treatments / equipment, higher energy use, transport to appointments etc.)

C) Criteria for identifying “In-fill” properties for solid wall insulation

The local authority intends to facilitate solid wall insulation schemes including households that are not in fuel poverty or vulnerable (‘in-fill’).

Where a household does not meet the criteria for fuel poverty (outlined at A) or living on a low income and vulnerable to the cold (outlined at B), the local authority can declare a household as “in-fill” where they are:

- in the same terrace as
- in an immediately adjacent building to, or
- are in the same building as a household that does meet those criteria

In-fill is only allowed where a minimum percentage of households for which the LA is providing declarations are fuel poor (FP) or on a low income and vulnerable to the cold (LIVC), as set out in Table 1.

Table 1 - Summary of the requirements for property types under in-fill

Property Type	LA declaration requirements	In-fill available
Project consisting of a pair of semi-detached houses or bungalows, or a building containing no more than two domestic premises	At least one of the two-properties must be declared by the LA as FP or LIVC (i.e. 50% of the properties are FP or LIVC).	The other property to which it is directly adjoined is eligible for solid wall insulation.
Project consisting of any premises that are contained in the same building (e.g. flats), immediately adjacent buildings (e.g. neighbouring detached properties) or in the same terrace	At least two in three properties on the list must be declared by the LA as Fuel Poor or LIVC (ie at least 66% of the properties are FP or LIVC)	The other (i.e. up to one third) of properties in the project are eligible for solid wall insulation, provided they are either in the same building, an immediately adjacent building or in the same terrace as the ones identified as FP or LIVC

3. Acting on behalf of another local authority

In most circumstance the designated officer signing the declaration will be from the local authority of the resident applying. However where that officer is unavailable all nominated officers from each of the local authorities that are signatory under this declaration will be granted permission to sign a declaration on behalf of any of the other authorities unless a local authority opts out of this process. If a local authority decides that all declarations from their area must be signed by an officer from that Council then they will nominate at least two.

4. Joint Statement of Intent

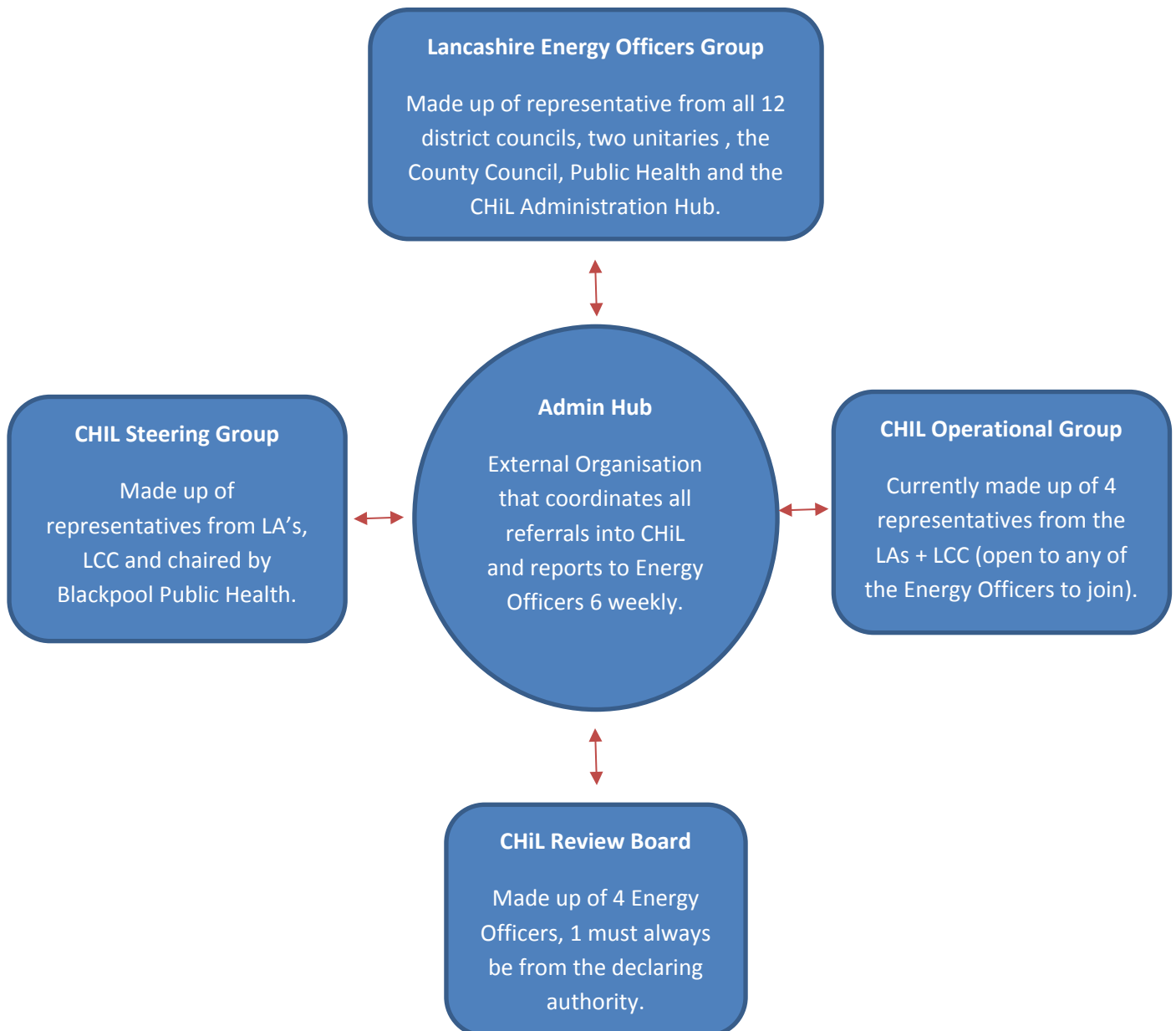
The local authorities listed below will be using common criteria and will be signatories to this SOI

Blackpool Council	Pendle Borough Council
Blackburn with Darwen Borough Council	Preston City Council
Burnley Borough Council	Ribble Valley Borough Council
Chorley Borough Council	Rossendale Borough Council
Fylde Borough Council	South Ribble Borough Council
Hyndburn Borough Council	West Lancs Borough Council
Lancashire County Council	Wyre Borough Council
Lancaster Borough Council	

5. Governance

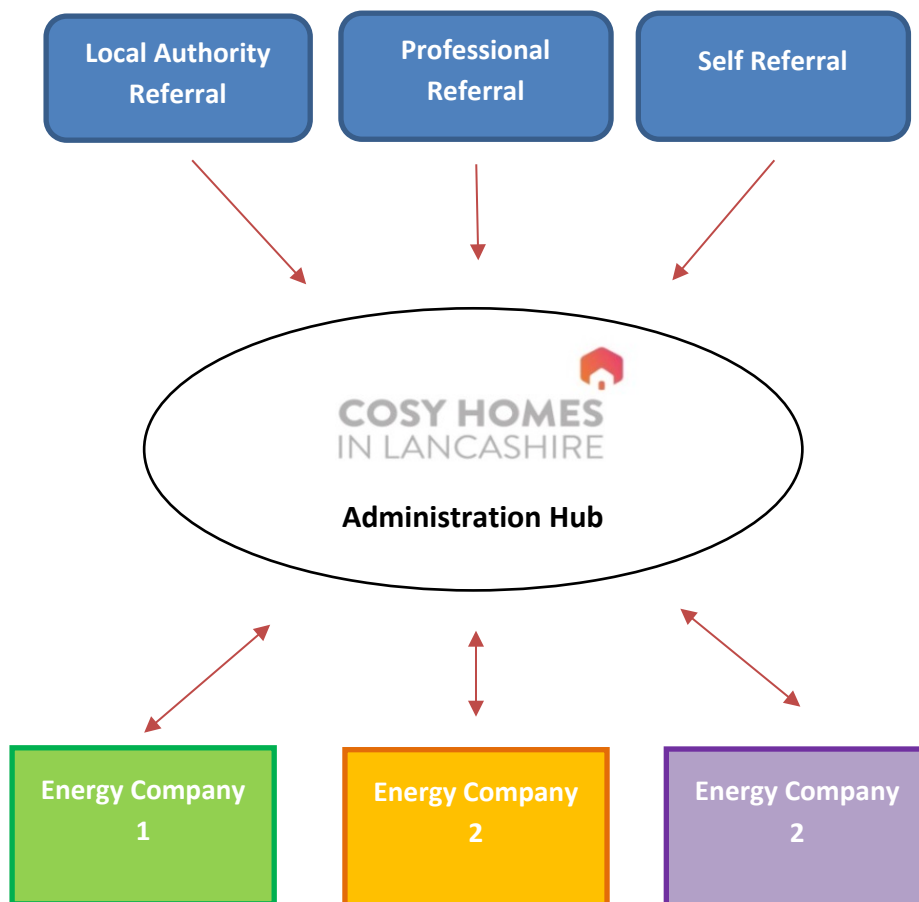
The Energy Officer from each participating local authority will be responsible for signing declarations on behalf of their authority or will delegate to another participating authority. In the event that the nominated officer is unavailable then any one of the other energy officers can sign the declaration on their behalf providing that local authority has agreed to that process, if not then the local authority will identify at least two officer posts within the local authority that can sign the declaration. Where an individual local authority does not want to endorse a certain measure in their area it will be their responsibility to inform the CHiL Steering Group and Administration Hub so that no declaration is signed for that measure.

In addition to the above a review board will be established that can be made up of any 4 members of the Lancashire Energy Officers Group. Their role will be to assess individual cases where the applicant either falls just outside the qualifying criteria but there is still a clear need or where the applicant disputes the decision of the local authority in respect of them not qualifying under Flexible Eligibility. This board's decision will be final.



6. Referrals

All referrals will be coordinated through the CHiL Administration Hub. A local authority can take referral directly, however they will then pass them to the Hub.



7. Evidence, Monitoring and Reporting

- The information to be collected can be seen on the application form (Annex 1).
- All applications will be recorded on a secure CRM system by the Administration hub.
- All LAs will have access to the data relating to their area.
- The CHiL Operational Group will review 10% of applications for accuracy and compliance with the qualifying criteria.
- CHiL will have a Service Level Agreement in place with each energy supplier it enters into an arrangement with that will detail acceptable time scales and processes
- The Admin Hub will hold paper and electronic copies of all documents relating to each application including any evidence supplied by the applicant.
- Every applicant will be required to sign a declaration stating that the information they have supplied is truthful and accurate.

THE EMPIRE THEATRE, BURNLEY – VIABILITY STUDY

REPORT TO EXECUTIVE



DATE	15th August 2017
PORTFOLIO	Community Services/Housing and Environment
REPORT AUTHOR	Mick Cartledge
TEL NO	01282 477280
EMAIL	mcartledge@burnley.gov.uk

PURPOSE

1. To consider the results of The Empire Theatre viability study.

RECOMMENDATION

2. Due to the significant financial risk and lack of identified commercial operator and the wider resource needs of other strategic projects within the Borough, the Executive are recommended not to support the Council's involvement in the project as outlined in the viability study report.
3. That the site is considered further as part of the Town Centre Masterplan that is currently being developed.

REASONS FOR RECOMMENDATION

4. The viability study does not present a compelling case for the Council to risk significant financial resources, which are scarce and which could be invested in different projects in the town centre and the Borough to create a wider social and economic impact on the Borough.

SUMMARY OF KEY POINTS

5. **Background**
The Empire Theatre is a Grade II listed building and has not been in any use since 1995. Due to the interest from the local Save The Empire Theatre group and the Theatres' Trust, the Council agreed to part-fund a viability study for the building. In doing so, the Council made it clear from the outset that it would be pleased to see the local group bring the theatre back into use, however, the Council would not be able to commit capital or revenue resource to the building and its operation.
- 5 Following a joint procurement exercise, Bonnar Keenlyside and Theatresearch were commissioned to undertake a two-stage viability study in autumn 2016. The study was in two parts and the first stage study ruled out most uses for the building and found there to be no demand from commercial or social uses for the facility.

- 6 The market appraisal also identified that there was insufficient market demand for the Empire Theatre to operate as a traditional theatre/entertainment venue. This was partly due to the catchment area not being large enough to support a traditional theatre programme at The Empire Theatre and the fact that The Mechanics' Theatre, Burnley serves the local population for most live entertainment.
- 7 The review identified a number of strands of activity for the venue, including becoming a music/nightclub venue, including events associated with student union, project space for independent artists, rehearsal space for amateur and community groups and a training stream for potential live production and special effects.
- 8 The Stage 2 report which has recently been received considers the feasibility of developing an innovative model to support these activities as well as looking at different scenarios for the building and a proposed incremental approach for development, roles and responsibilities for ownership development and operations, a business model with finance and funding and an action plan and timetable.
- 9 The report acknowledges that against the opportunities of re-developing the building, there are significant limitations and challenges the Council faces as a result of continued reductions in revenue budgets and the fact that The Empire Theatre is not a strategic priority for capital investment for the Council.

The State of the Building

- 10 The Empire Theatre has suffered from severe deterioration since the last comprehensive survey and plans for restoration as a theatre in 1998 and the site has been fragmented into several separate ownerships. The main parts of the building have no ownership and 'bona vacantia' have fallen under the jurisdiction of the Duchy of Lancaster for disposal. This means that in effect, no legal body claims responsibility for the building. In essence, the Duchy does not have responsibility for maintaining the building and the Council is required by law to ensure public safety and take measures to prevent harm from dilapidated or dangerous buildings.

Long-Term Vision for The Empire Theatre

- 11 The report suggests that the phased development for the building could take place with a range of activities which would include:
- Music venue and club
 - Creative space for artistic and community work
 - Rehearsal space for local groups, artists and creative entrepreneurs
 - Bar/café/restaurant and function spaces
 - Training/learning/education and research
- 12 The report suggests that the project would evolve over several years through an incremental approach to development. For the purposes of the study it has been assumed that the level of activity and scale of operation is at a fairly modest level assuming a community operator takes on the operation.

- 13 Only outline modelling of the operation of the facility has been undertaken and a number of assumptions have been made around a community business and these are as follows:
- Most events would be hires and there would be strong performance at bars, associated with nature of music/club events.
 - There would be a small core team to manage the operation.
 - The costs of additional staff to deliver individual events would be charged to that event.
 - There would additionally, be ongoing and full participation of volunteers, including students.
 - A ticket restoration levy would be charged towards the costs of repairs, renewals and restoration.
 - The operation, would, at minimum generate sufficient return on activities to maintain the building and to cover overheads and potentially more.
- 14 There is however, no detailed breakdown of the expenditure and income streams of operation.
- 15 The viability study suggests that training activities could be undertaken at the building, including all aspects of building development, management, construction, interpretation and conservation could be undertaken. However, representatives from both UCLan and Burnley College on the group confirm that there will be no financial resource that they could put into the project.

The Site

- 16 The report analyses the different sections of the building and their ownership. It is fair to summarise this by stating that ownership is complex. In addition, the report summarises the potential liabilities associated with the building as follows:
- A Grade 2 listed building in a poor state of repairs.
 - A building contaminated with asbestos with high costs associated with removal of said asbestos.
 - Potential legal disputes and costs associated with party wall issues.
 - No working services within the building and large capital costs associated with restoration, making it non-viable commercially.

Governance and Management

- 17 The report proposes that there should be two charitable organisations established:
- a) A Building Preservation Trust to hold, develop and maintain the building asset and in the earlier phases assemble the site; and
 - b) A charitable operating company to operate, promote, fundraise and engage volunteers; this would most likely be a charitable incorporated organisation.
- 18 Of all the organisations that are suggested for membership of the Building Preservation Trust, it is highly likely that the only organisation on the Trust that would have any potential for financial resource for maintaining the building would be Burnley Borough Council.

Incremental Phases

19 The report proposes a long-term project with incremental phases for the building. These are outlined in Section 8 of the report, along with project timescales and milestones, but can be summarised as:

- Phase 1 – Short – Medium Term: Bringing the stage house back into use as a night club / events space and stabilisation of auditorium space.
- Phase 2 – Long Term: Restoration of the auditorium space through an initiative which is community-led and based in heritage skills training and job creation, with the long term ambition to reunite the areas of the Empire and open as a music venue / club with an optimum capacity of around 1100. A new café / bar and provision of rehearsal / function / training rooms as well as associated offices / back of house space.

Costs and Funding

20 The report proposes that the following costs would be required for bringing the building back into use:

• Initial enabling -	£325,000
• Phase 1 -	£2,155,434
• Phase 2 -	£2,700,211
Total:	£5,180,645

It should be noted that:

- a) In estimating the costs by the consultants, it has not been able to access the building to validate outline costs.
- b) The costs do not include the revenues costs associated with maintaining the building whilst any development took place which would be for a number of years.

The report suggests a range of grant funding options including Heritage Lottery Funding however as a minimum the cost of enabling works and any matched funding for such bids would most likely need to come from the Council. In addition the timescales quoted in the report for HLF funding are not realistic.

Alternative Scenarios

21 The report outlines a number of alternative scenarios:

Option 1 - Do Nothing. The report suggests that to do nothing would result in further deterioration of the building and potentially the need for its demolition. The costs of demolition are identified as £2,157,078 and a breakdown of these costs are showing at Appendix A of the Viability Study report.

Option 2 - Commercial Operation Involvement – At present, it is envisaged that no commercial operator would take on the building at this stage.

Option 3 - The Crown Auctions the Building – If the Council do not take on the project, it is highly likely that the Crown would auction the building and potentially, a speculator would buy the building without knowledge or experience. They would then be responsible for the liabilities of the building,

and although there is the potential for re-development, alternatively, it could result in further deterioration of the building.

Option 4 – Proposed Partnership Development – This is the route proposed in the study and suggests that the Council acts as a catalyst for change and support. The report does not, however, outline what the financial responsibilities would be if the Council took on this role.

Council Response to the Report

- 22 There can be no denying that The Empire Theatre, Burnley, is in a poor state of repair and currently detracts greatly on the town centre. However, the Council must not only consider the options in this report but it also has to consider wider options of how it uses its increasingly scarce capital resources. To put this into context, the Council is facing revenue savings of approximately £4 million over the next three years and therefore has no ability to take on the cost of future maintenance demands especially when they are not quantified, although it is fair to say, that they are potentially significant for the building in the short-term and long-term.
- 23 The Council has now submitted its Local Plan and is currently undertaking a Master Planning exercise for the town centre. Both of these will identify a wide range of sites and projects that will require financial intervention by the Council to bring them to reality.
- 24 Looking shorter term, the Council is also procuring a developer for the Curzon Street development, to bring forward a leisure-led development and it is highly likely looking at the experience of other Councils across the country, that there will be some form of financial commitment from the Council required to bring this to fruition. If this was the case, the investment would be justified on the basis of the additional business rates, jobs created and footfall brought into the town by such a leisure development. However, the re-development of The Empire Theatre would not generate significant business rates, would not generate a significant number of jobs, however it is accepted that it could potentially increase footfall into the town on an evening.
- 25 In addition, the Council is currently working with Burnley Leisure to develop a Heritage Lottery Fund bid for improving The Mechanics' Theatre. It is envisaged that the bid will be for £2,000,000, but again there will be a requirement from the Council to use some of its scarce financial resource as match-funding.

Conclusions

- 26 The report proposes an incremental approach to developing The Empire Theatre, Burnley, but acknowledges the significant risks in terms of ownership funding and costs.
- 27 The Council is the only partner that would take on the financial risk in the short to medium term and these risks are significant. In light of these, and the wider strategic opportunities and projects that the Council is planning to deliver over the next few years, it is recommended that the Council does not take on a role on the Building Preservation Trust, as outlined in the report.
- 28 Conversely, but for the same financial reasons, no justification could be made for investing over £2 million in demolishing the building. Building Control will continue

to monitor the state of the building, and at present, there is no risk of collapse of the building.

- 29 It is therefore proposed that the town centre masterplanning exercise consider the site further, as part of the wider town centre masterplanning exercise. In doing so, it is acknowledged that The Crown will probably auction the building and there is still potential that an investor comes forward who wants to both re-develop the site and has the funds to do so (although this may be highly unlikely) and hence the need to consider the site in the wider Masterplan.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

30. The viability study outlines the estimated development costs and demolition costs, but there is no estimate of ongoing revenue costs. As stated earlier in the report, due to the Council's financial challenges and wider strategic project option, no justification can be made for the Council risking significant financial resources.

POLICY IMPLICATIONS

- 31 None

DETAILS OF CONSULTATION

- 32 None

BACKGROUND PAPERS

- 33 None

FURTHER INFORMATION

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ALSO:

The Theatres Trust on behalf of the Burnley Empire
Stakeholders Group

Burnley Empire Viability Study Stage 2 Report

May 2017

Bonnar Keenlyside with Theatresearch

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1. Introduction

Background

- 1.1. The Theatres Trust, with partners in the local community, commissioned a study to determine if there might be a viable future use for the Burnley Empire in the context of its imminent potential sale by auction. The Empire is an important Grade II listed theatre on the Theatre Buildings at Risk register and has been disused since 1995. The Burnley Empire Stakeholder Group (BESG) comprises: the community group Burnley Empire Theatre Trust (BETT), Burnley College, Burnley Borough Council, Burnley and District Civic Trust, The Theatres Trust and the University of Central Lancashire.
- 1.2. Bonnar Keenlyside (BK) and Theatresearch were commissioned to undertake a first stage viability study¹ in Autumn 2016. The study considered the options for the future use of the Empire in the context of the available market, operating context and economic issues. Key considerations included the significant costs which would be incurred to restore the building and the associated restrictions of its listed status. This ruled out most uses and the review found there to be no demand from commercial or social users for the facility.
- 1.3. The market appraisal identified that there was insufficient market demand for the Empire to operate as a traditional theatre/entertainment venue. The population within Burnley and the surrounding catchment area is not large enough and does not include sufficient numbers of people to support a traditional theatre programme at the Empire. Further, there are several theatres in the region already attracting audiences who live in the area. The Burnley Mechanics serves the local population for most live entertainment and its success is of high priority for Burnley Borough Council (the Council).
- 1.4. At the same time, the review identified a number of strands of activity which could coalesce around the Empire including: becoming a music/night club venue including events associated with a student union; project space for independent artists, rehearsal space for amateur and community groups and activities with a particular emphasis on young people. There would be a strong training stream including potentially an academy for live production and special effects and further, a close partnership with UCLan which has a large relevant learning and teaching community and a campus in Burnley.

¹ Viability Study Stage 1: Bonnar Keenlyside & Theatresearch November 2016

- 1.5. This report considers further the feasibility of developing an innovative model to support these activities and the use of the Empire, with the implications and issues associated with the concept and the site. This Stage 2 study involved revisiting the opportunities and challenges which emerged during the Stage 1 study and re-engaging with key organisations and potential partners. The report considers:
- a long term future for the Empire as a performance and training space;
 - training activities;
 - the site and building;
 - scenarios for the building including doing nothing;
 - a proposed incremental approach for development;
 - roles and responsibilities for ownership, development and operations;
 - a business model, finance and funding;
 - an action plan and timetable.

2. Context

- 2.1. The Empire needs to be considered against the background of both its operating context and the issues associated with the theatre building and site.

Strategic context

- 2.2. While the Empire could benefit from some factors which provide a rationale for the restoration and re-use of the Empire, there are uncertainties in other aspects. Aspects conducive to its development include: the strong value which the community places on the Empire and its history as a place of entertainment; its historical significance, recognised by the Theatres Trust which includes the Empire in its top five Theatres at Risk; the strong interest in training in heritage skills; the potential to create an alternative entertainment space; the recent arrival in the town of creative businesses; and the identification of Burnley as a 'cold spot' achieving low levels of engagement and low attraction of public funds by national arts, heritage, social and economic funders.
- 2.3. The redevelopment of the Empire could generate multiple community and economic benefits, catalysing the regeneration of the local area. The development of skills, and increased visitor spend in the town, as well as the engagement of volunteers and the local community, could coalesce to deliver sustained direct and indirect economic impacts and a positive impact on Burnley as a place to live, work and visit. Burnley's local plan is currently under review and consolidation of the town centre is under consideration. There may be opportunities to develop the zone around the back of the Empire towards the canal and further to link up with the conservation area of the Weavers' Triangle.
- 2.4. Set against these positive opportunities are the considerable challenges faced by Burnley Borough Council. A small local authority, it faces many economic challenges including those associated with empty properties as a result of de-industrialisation and the Council has faced sustained and significant budget pressures over several years.
- 2.5. While a development at the Empire is recognised as having potential as a project with social and economic impact, the scale and complexities of the project together with the limitations and challenges which beset the Council mean that local funders do not regard the Empire as a priority. The Council has extremely limited funds and has several competing demands for support. It is primarily committed to safeguarding its own theatre, the Burnley Mechanics, for which it has recently been awarded an HLF grant.

- 2.6. The Council's position further influences other potential funders including the Lancashire Economic Partnership (LEP) in which it is a partner. The Council has not as yet identified the Empire as a priority for investment and this largely precludes support from the LEP at this point.

The Empire building and site

- 2.7. The Empire has suffered from severe deterioration since the last comprehensive survey and plans for restoration as a theatre in 1998 and the site has been fragmented into several separate ownerships as described in Section 5.
- 2.8. The building is currently partially open to the atmosphere, with some windows un-boarded and water ingress continuing to gain access to all parts. If no action is taken, there are multiple risks including that parts of the building collapse and cause damage as well as consequential escape of un-encapsulated asbestos into the atmosphere through windows that are currently not glazed.
- 2.9. The stage and auditorium footprints of the Empire have no ownership and are 'Bona Vacantia', having fallen under the jurisdiction of the Duchy of Lancaster for disposal. In effect, no legal body claims responsibility for the building. It is understood that the Duchy does not have responsibility for maintaining the building and that the Council is required by law to ensure public safety and take measures to prevent harm from dilapidated or dangerous buildings. In the event that the building has to be demolished due to a failure to agree a viable plan for the future, the Council could be required to meet the whole costs of demolition and asbestos removal. These costs could be in excess of £2m as indicated in Appendix A.
- 2.10. The various alternative scenarios for the building are considered in Section 7.
- 2.11. The issues with the site are critical elements and a viable way forward is dependent on a phased plan which deals with these issues in the short to medium term in the context of a longer term vision.

3. Long- term vision for the Empire

3.1. While this report focusses on the short to medium term steps in an incremental development, the restoration of the Empire, with the concomitant complexities in site assembly, can only be justified if there is a long-term viable use. That long-term use would inevitably evolve and is underpinned by a vision which has been developed as a result of the viability study.

Activities

3.2. Activities would include:

- primary commercial use as a music venue and club at different scales with an optimum capacity of around 1100 (but with potential to operate at larger or smaller scales); with around 75 events annually, of which perhaps 50 would be regular club/gig nights and with the other 25 including other performances. In addition, there would be training events, rehearsals and hires;
- use as a curated space for artistic and community work, on a project basis, with involvement from local and regional artists;
- use for rehearsal space for local groups, artists and creative entrepreneurs;
- bar/café/restaurant and function spaces;
- training, learning, education and research including in close partnership with UCLan and other agencies.

Facilities

3.3. The site, currently in multiple ownership as described in Section 5, would be re-assembled to provide accommodation including:

- an auditorium configured optimally at 1100 over 2 levels (with potential for more)
- rehearsal/function/training rooms;
- café/bar and potentially other trading spaces;
- accessible offices, front of house and back of house facilities.

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- 3.4. The aim of the business would be to sustain the Empire as a social, heritage, cultural and economic asset for Burnley.
- 3.5. There is long term potential for the Empire to operate as a commercial music club. Early discussions with commercial operators confirmed that such an operation could be viable with additional potential for a commercial operator to work in partnership with the community and other partners including UCLan. There are therefore several alternative operating models which might sustain the Empire in the longer term and this would influence the scale of operation.
- 3.6. The project would evolve over several years through a measured and incremental approach to development. The project would build on the experience of other similar community led ventures which have re-imagined and restored an historic and disused entertainment venue. There are several examples demonstrating that a community-led approach which harnesses skills and enthusiasm from volunteers and partners, within a robust system of governance and management, can achieve a sustainable development. Examples include: Morecambe (Winter Gardens), Aberdeen (Tivoli Theatre), Stockport (Plaza) and Edinburgh (Leith Theatre). Each of these developments has progressed over several decades.
- 3.7. For the purposes of this study, it is assumed that the level of activity and scale of operation is at a fairly modest level, assuming a community operator, possibly in partnership with a commercial operator. This is based on the examples cited above, where the community and partners commit a significant amount of time and skills to the operation and where the underlying principles would be that costs would be kept low, using a combination of voluntary support and freelance and contracted posts.

Operating profile

- 3.8. A prudent approach has been taken to modelling the operation in the context of the incremental nature of this project. The project would evolve and the market demand would be developed over time.
- 3.9. Based on comparators, a number of assumptions can be made around a community business similar to many including the Tivoli Theatre Aberdeen, Morecambe Winter Gardens and commercial pubs and clubs (and not similar to the local authority's own venue, the Mechanics, where the staff are employees of the Council):
- most events would be hires and there would be strong performance at bars associated with nature of the music/club events;

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- there would be a small core team to manage the operation and provide technical, marketing and administrative support: potentially some of these roles could be provided by partners; roles are likely to be largely freelance or contracted for a limited number of days per week;
- the costs of additional staff required to deliver individual events, including back of house and front of house, be would be charged to that event;
- there would additionally be ongoing and full participation of volunteers including students and others from UCLan;
- a ticket restoration levy would be charged towards the cost of repairs, renewals and restoration;
- the operation would, at minimum, generate sufficient return on activities to maintain the building and cover overhead and potentially more.

4. Training

- 4.1. A unique aspect of this project would be the active, integrated and sustained training activities and the application of skills in all aspects of building development, management, construction, interpretation and conservation through partnership with UCLan, Burnley College and the private sector supported by funders. This would address the recognised shortage of craftspeople and artisans working in the conservation and heritage sector.
- 4.2. During the restoration project, ongoing programmes would benefit students in gaining experience through the practical application of skills of direct benefit to the project through the provision of skilled labour. In addition, this approach would create many opportunities for engaging the community in learning about heritage and increasing engagement with the development, as discrete aspects of the building are restored and interpreted.
- 4.3. UCLan would take the lead in a wide range of programmes and projects across its key themes of cultural, social and economic sustainability. The University is already using the Empire as a case study for learning and has expressed a strong will to be an active partner. It has set out its ideas for engagement in these areas, which could contribute towards the project development, management and activities.² Courses would be taught in the Empire. UCLan staff and students are particularly keen to be involved in this new and innovative project.
- 4.4. Burnley College would embed working at the Empire into its training modules for all building, services and decoration trades.
- 4.5. Other training and educational institutions may additionally be involved in this rare opportunity to learn and apply knowledge and techniques in a real heritage restoration project. UCLan has identified multiple opportunities for its university community including not only students but researchers and academics. Burnley College welcomes the opportunity for its students and lecturers to be involved with specialise craftspeople.
- 4.6. Local construction companies are also keen to be involved in the training. There are additionally schemes for heritage training apprenticeships offered by The Prince's Trust and grants from Heritage Lottery Funds.

² Appendix C

*The Theatres Trust on behalf of the Burnley Empire Stakeholders Group
Burnley Empire Viability Study Stage 2 Report*

- 4.7. There is the long-term potential to develop specialist training with local industry in production and special effects, for example in special effects perhaps in partnership with an accredited third party supplier and also to train theatre technicians.
- 4.8. This area requires further partnership engagement and development in the next phase.

5. The Site

5.1. The site has been split into a number of key elements as shown on the site plan on the next page. These can be defined as:

- Theatre Entrance 118 James Street (blue shaded area)
- Bridged Area & Foyer (yellow shaded area)
- Stage House (green shaded area)
- Dressing Room Block “Empire House” (grey shaded area)
- Auditorium (white area surrounded by red line)
- Bin Storage Area (green outlined area)

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- | | | | |
|---|-------------------------------|---|-------------------------|
|  | Entrance from St James Street |  | The Stage House |
|  | Bridged area across the river |  | The dressing room block |

Ownership and Values

5.2. In summary the ownerships and values are as follows:

- Theatre Entrance 118 James Street (blue shaded area):
 - Owners: Mr Giuseppe Musso & Mr Francesco Musso;
 - Value: not stated;
- Bridged Area & Foyer (yellow shaded area):
 - Owners: Currently in dispute, possibly claimed by Messrs. Musso;
 - Value: not stated;
- Stage House (green shaded area):
 - Owners: The Crown;
 - Value: not stated;
- Dressing Room Block “Empire House” (grey shaded area):
 - Owners: John Stansbury;
 - Value: £3,000;
- Auditorium (white area surrounded by red line):
 - Owners: The Crown;
 - Value: not stated;
- Bin Storage Area (green outlined area):
 - Owners: Mr Giuseppe Musso;
 - Value: £4,000.

5.3. The current position regarding the site components is summarised:

- 118 James Street – Currently being emptied by the owners for potential development. This could cause problems later if changes take place which ultimately restrict public access to the auditorium. We also understand that a claim has been made to the access bridge which crosses the river to provide access to the auditorium;
- Stage House and Auditorium – Currently held by the Crown for possible auction later in 2017;
- Dressing Room Block – Currently held by John Stanbury – no known immediate or changes;
- Bins Storage Area – no immediate changes.

Auditorium and Stage House

5.4. The Crown has taken ownership of both the Auditorium and Stage House areas of the site through 'Bona Vacantia', there being no known owner.

5.5. The building was put up for auction in late 2016 but withdrawn by the Crown in order to allow all interested parties to explore the possibilities further. However, this is no more than a temporary hold on disposal which is the Crown's primary role in such matters. Disposal would take place by auction in order to try and obtain the greatest public benefit of return.

5.6. In such instances, as was the case when Mr. John Stansbury bought it at auction in the 1990s, this kind of property is often bought by a speculator without actually viewing the property or investigating the limitations of the site, whether they be ownership, listing or covenant. There is a risk that if the Auditorium and Stage House (properties in the possession of the Crown) were auctioned then someone else would buy them without realising the full consequences and liabilities attached to the property. This could create additional risks to the Council that a new owner would not have the resources to respond to urgent repairs notices.

5.7. The liabilities may be summarised as:

- a grade II listed building in a poor state of repair – liable to be served with a repairs notice by the Local Authority;
- a building contaminated with asbestos with high costs associated with removal;

- potential legal disputes and costs associated with party wall issues;
- no working services within the building and large capital costs associated with restoration making it non-viable commercially.

5.8. The costs associated with these liabilities are high and it is highly improbable that an informed commercial developer would take on the project in order to gain a return on the capital. Unfortunately history shows that this is unlikely to deter uninformed speculators who might see the building as a bargain at auction.

Timescales

5.9. It seems that the 'do nothing' option is no longer tenable as things need to be dealt with in a responsible and timely manner. The building is currently partially open to the atmosphere, with some windows unboarded and water ingress continuing to gain access to all parts.

5.10. Similarly, the approach proposed in 1998, to undertake a large capital development of the whole site simultaneously, is not likely to be achieved at this point. The various elements of the site need to be addressed and resolved in different ways, perhaps by varying approaches and almost certainly with differing timescales driven both by funding availability and urgency of action.

Approach

5.11. The fragmentation of the site could be seen as the project's greatest problem. The fundamental question is therefore one of project approach and route to assemble the site.

Possible Solutions

5.12. There a number of key defining facts which may be summarised as:

- the site is broken into several parcels which might serve different purposes – certainly in the short term;
- the site is in fragmented ownership;
- the various parts of the site will have widely varying costs associated with their resolution;
- end use of the various parcels may vary or be limited.

Short Term Approach

- 5.13. A short term approach which deals with the immediate challenges should form the basis of the long term resolution. Given the complex nature of the site it is essential to find collective partnership solutions which deliver an agreed vision.
- 5.14. On the assumption that the Stage House and the Auditorium can be secured from The Crown one option would be to:
- allow the development of 118 James Street and the access bridge;
 - allow a connection to be made to the Stage House;
 - create a means of escape down the side of the Dressing Room Block.
- 5.15. This would allow a development to take place to provide access from James Street into a foyer and café or similar for daytime and evening use. This might also include the bridged area. A link from the James Street block into the Stage House to create a quasi-industrial night club and events space could be opened in the evening and have use of the means of escape as outlined above.
- 5.16. This would necessitate the formal proscenium arch of the auditorium to be sealed with a temporary fire wall and in so doing separate the auditorium for other uses. This might also involve at some point the acquisition of the Dressing Room Block to provide toilets and office accommodation. The main auditorium would then become another self contained building block with access via other doors from Cow Lane etc.
- 5.17. The approach to the auditorium needs to be carried out in a wholly different and imaginative way through high quality training in the area of building restoration and conservation.
- 5.18. At some future point in time a situation could be envisaged whereby the whole site reverted under the terms of the various leases, options to purchase and agreements that would have to be put in place, to one consolidated site.

Space Capabilities

- 5.19. It has not been possible to site survey any of the premises so figures are approximate:

118 James Street (including the bridge): 90 square metres

Stage House: 157 square metres

- stage depth: 8 metres
- stage width: 20 metres
- proscenium opening: 11.5 metres

Auditorium - Stalls Level: 490 square metres

Dressing Room Block (very approximately): 75 square metres

Capital Costs

- 5.20. The costs associated with this venture are significant, of that there can be no doubt. Yet the costs of the 'Do Nothing' scenario are also considerable and deliver no material benefit.
- 5.21. We estimate that the costs associated with the demolition of the site could be around £2 million.³
- 5.22. We estimate⁴ that the same variance figures could:
- assist the re-opening of 118 James Street;
 - make habitable the Stage House;
 - stabilise the external elevations and water ingress.
- 5.23. This would then allow access to the building to begin the process or redevelopment.

³ see Appendix A

⁴ see Appendix B

- 5.24. The legal position regarding ownership and partnership of all the individual properties would have to be addressed through negotiation and partnership. Different solutions are likely to be required for the various elements.
- 5.25. There would be a requirement for further capital investment in due course to develop the project as it evolved, but it would protect the heritage asset and create a way forward for future partnerships and urban regeneration. It is of course extremely difficult to forecast the funding environment well into the future. Yet at some point something must be done to unlock a problem that will simply enlarge if ignored.
- 5.26. It would in consequence:
- protect the Council's current public liability issues;
 - help with the regeneration of James Street as a whole;
 - commit funds towards the creation of an important heritage asset as opposed to commit funds towards demolition with no residual asset.

6. Governance and Management

6.1. There are options for the governance of the Empire. This report proposes that, due to the complexities of the site, there should be two charitable organisations established:

- a trust to hold, develop and maintain the building asset and, in the earlier phases, assemble the site; this would likely be a Building Preservation Trust (BPT); it would also be the governing body for the project development;
- a charitable operating company to operate, promote, fundraise and engage volunteers: this would most likely be a Charitable Incorporated Organisation (CIO).

Burnley Empire Building Preservation Trust

6.2. The Burnley Empire BPT would have charitable objectives to develop, restore, conserve and maintain the Empire. It would attract and manage funds and other resources required to support these objectives and would have a strong leadership role in promoting the development of the Empire with funders, politicians and other stakeholders.

6.3. Its trustees would include expert skills including in:

- development, ownership and management of similar historic buildings;
- capital development and project management; (potentially architecture, engineering, construction, surveying etc);
- fundraising and finance;
- legal;
- advocacy.

6.4. Its trustees could include a member of the Council, a member of UCLan and the Chair of the operating company. The Chair of the BPT would be a senior independent leader.

6.5. It would grant a lease to the operating entity.

Charitable Incorporated Organisation (CIO)

- 6.6. The CIO set up to operate the company would have charitable objectives to support the Empire including through operating, fundraising, providing voluntary skills and promoting the Empire. It would enter into a lease with the BPT. The specific activities and focus would evolve according to the needs of the project and this would inform the nature of the skills required of the trustees.
- 6.7. At this stage, the skills required would include operations, strategy, management, promotion, fundraising, heritage, arts, education, finance and legal.
- 6.8. BETT is committed to developing to become the CIO and leaders of the current committee with experience in governance, management and charitable entities have undertaken to shape the CIO according to the needs of this project and in compliance with good practice.
- 6.9. The chair of the CIO would have a significant leadership profile and networks with time and energy to be a major ambassador for the project.

7. Alternative Scenarios

7.1. There are a number of alternative development scenarios:

Scenario 1: Do Nothing

7.2. The site has been becalmed in the 'Do Nothing' scenario for the last twenty years. The result has been decay, site fragmentation, public health risk and a dangerous suite of buildings. If this is allowed to continue the situation will continue to deteriorate, with potential that:

- parts of the building may collapse and cause damage;
- consequential escape of unencapsulated asbestos may be released into the atmosphere;
- significant costs may be incurred associated with party wall issues;
- an application for demolition may be made and a possible public enquiry with associated costs;
- ultimately there could be a demolition including high costs of asbestos removal

7.3. There would be significant costs to the Council and little public benefit.

Scenario 2: Commercial Operator Involvement

7.4. In the long term there is potential to attract a commercial operator but only after the capital project and after building up the market. This scenario is not viable at this stage.

Scenario 3: The Crown Auctions the Building

7.5. It is possible that a speculator would buy the building at auction, without knowledge or experience. The likely consequence would be that it would not be developed or used as the scale of problems, difficulties and cost of asbestos removal is realised. The building would therefore deteriorate further with the Council ultimately having to step in with even greater costs than currently.

Scenario 4: Proposed partnership development

7.6. The route proposed in this study involves the Council as a catalyst for change and support. The project has the potential to deliver multiple benefits.



8. Incremental Phases

8.1. A number of elements require to be developed in order to work towards the long-term vision:

- presenting and promoting events;
- training activity development and actions;
- site and building assembly and making the building useable for the public;
- capacity development: governance structures and leadership;
- developing the capital project and fundraising.

8.2. Each of these areas is inter-related and a programme of development and investment proposed over the next three years. There are several key elements:

- the approach to site development as described in Section 5: it is assumed that the Auditorium and Stage House will be transferred from the Crown and used to create a rough and ready performance/club space within the current stage house, supported by a café and bar space with access from James Street;
- the commitment of Burnley Borough Council to support this development in its role as a catalyst for community, cultural and economic development;
- the establishment of appropriate legal bodies to lead and manage the development, as described in Section 6;
- the commitment of a funding package for the project development and building works required for the period up until a successful HLF Stage 1 application.
- these costs, as outlined in Appendix B, are summarised:

BURNLEY EMPIRE: FIRST PHASE DEVELOPMENT COSTS			
	Initial enabling	Phase 1	TOTAL
Building costs	£317,000	£1,498,500	£1,815,500
Fees, prelims, inflation		£325,290	£325,290
Sub-total capital costs	£317,000	£1,823,790	£2,140,790
Other project costs	£8,000	£50,500	£58,500
Contingency @ 15%		£281,144	£281,144
TOTAL	£325,000	£2,155,434	£2,475,434

Timetable and phases

April – September 2017

8.3. The first steps are:

- Burnley Council to agree approach, becoming an initial catalyst for a time-limited period to support the project and commitment to provide funding to make the building wind and watertight and safe, including asbestos removal; further support in setting up the BPT and application to HLF below;
- application to HLF for a Resilience Grant to support a part time Project Director for up to 3 years and associated costs;
- application to the Duchy of Lancaster Benevolent Fund for similar purposes;
- preparation for establishing BPT and CIO;

8.4. The aim would be to submit these applications in July with an award in October and the BPT and CIO established by then. This is on the basis that the Duchy has extended the timetable for the proposed auction.

October –2017 – June 2018

8.5. The HLF award would mark the initiation of the project. The Project Director would be recruited. The Crown would transfer the building to the BPT on the basis of a funding package being in place for the early development costs. Enabling works would be undertaken as required including removal of asbestos. Ideally this enabling work would make the theatre useable for activity using the stage house as a rough and ready performance space. Following the commitment by the Council, the Lancashire Economic Partnership (LEP) might also fund the enabling works and support the project, following on a similar investment in such made by the LEP West Yorkshire Combined Authority, to support Bradford Live to rescue and redevelop Bradford Odeon. In addition, the Arts Council of England might fund the enabling of the spaces for creative use including seats and technical equipment.

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- 8.6. The aim would be to have the Project Director in place by December 2017. The Project Director would then work with the BPT and the CIO to:
- develop the partnerships;
 - fundraise and develop the project as an HLF project;
 - manage the project in terms of site assembly and legal and financial matters;
 - support the CIO to develop the programming and activity.
- 8.7. The aim would be for the building to be useable and occupied in June 2018. When occupied, the training programmes and events will be introduced with associated community engagement.

July 2018 – June 2019

- 8.8. During this period the project would be developed with a view to submitting an HLF Round 1 project grant application in December 2018 with an award in March 2019.
- 8.9. Building renovation work would take place through the training programmes and through additional works and equipment as funds are raised.
- 8.10. The timetable is summarised on the next page:

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Milestones

	Phases
Time	Milestone
2017	
July	Decision in principle to proceed
	Prepare and submit HLF Resilient Heritage grant application
	Prepare and submit application to Duchy of Lancaster Benevolent Fund
	Preparation for set up of Building Preservation Trust
	Preparation for set up of CIO
July - September	Set up Trust and CIO
	HLF award September 2017
October - December	Ownership of Empire transferred from Crown to BPT
	Works to remove asbestos and make building accessible
	Project Director recruited
	Project activity commences: partnership, fundraising, legal and programming
2018	
January - June	Works to remove asbestos and make building useable
	Feasibility Study and HLF Stage 1 outputs commissioned
	Building occupied June 2018
July - December	Ongoing development of project and activity
	Restoration and improvement programme including training
	HLF application for Stage 1 submitted December 2018 ⁵
2019	
January - June	HLF decision stage 1 March 2019

⁵ specific surveys required at this stage include :

1. Asbestos removal in order to inform the process
2. Building stabilisation works as a holding operation
3. Followed by: Condition survey and RIBA Stage B development study; Lead Theatre Consultant, Architect, QS, Structural Engineer, M&E Engineer
4. Conservation Statement

Business operating model

8.11. The annual activity and revenue profile during this early phase assumes 30 events of differing scales including regular DJ and cub nights and around 9000 attendances. In addition there would be community and training activities. The illustrative model assumes:

- the operation is run entirely by volunteers;
- events are presented on a hire basis with any associated paid staff charged to the event; club/music/independent DJ nights will be a mainstay;
- independent artists and groups may attract funding to create events in the space.

Burnley Empire Model: First Phase full year operating profile	
no of programmed events	30
no of attendances	9000
Income	£
Event income net	12000
Secondary trading net	8000
Ancillary hires	5000
Total Income	25000
Costs	£
Marketing	5000
Staff	0
Operating Overheads	20000
Total expenditure	25000

8.12. This is a modest profile which might take a few years to achieve. The levels are at the lowest levels achieved by similar comparators.

8.13. The model can be flexed and it may be that the activities are so successful that these numbers are significantly larger. This would enable the contracting of a programmer/manager and this should be an aspiration. There are a number of funders who support capacity building in the arts including the Esmée Fairbairn Foundation.

9. Conclusions

- 9.1. There is potential for a long-term project which could save Burnley Empire through an innovative model with partnership and training at its core and an incremental and phased approach.
- 9.2. It is complex and would require significant leadership and energy from all involved within a harnessed governance structure and management system. There is strong support for the concept from the local community, artists and creative entrepreneurs and training establishments. Galvanising this support and resourcing the project through dynamic leadership and a Project Director could lead to support from funders.
- 9.3. There are multiple challenges and risks associated with the project. However, the costs in the short term will not be more than those the Council would be likely to incur to demolish the building.
- 9.4. The potential benefits are that Burnley will be a better place to live, work, study and visit. The development could create a new entertainment/ heritage zone in Burnley around the canal and linking to Weavers' Triangle and could catalyse other business growth.
- 9.5. Economic benefits could accrue directly from the business at the Empire as well as from the training and skills development.
- 9.6. The cultural benefits would include more opportunities for independent artists and creative entrepreneurs and a wider range of activities for people in Burnley.
- 9.7. The heritage benefits would be that an important heritage asset would be restored, with opportunities for increased heritage skills and for people to learn about their heritage. There would additionally be opportunities for volunteering.
- 9.8. Notwithstanding the potential benefits, this is a complex project dependent on energy, commitment, goodwill and expertise from the key players including the Council, BETT and the other members of the Burnley Stakeholder Group.
- 9.9. As part of this work we have consulted with other similar projects and senior officers at Stockton Borough Council have offered to share their similar experiences with the Globe Theatre project. There is an open invitation for members to visit or receive a visit to learn from their experience of restoring a Grade II listed derelict theatre and the consequential benefits that have arisen therefrom.



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APPENDIX A

INDICATIVE SCOPE OF COSTS FOR DEMOLISHING BURNLEY EMPIRE		
Element		Notes
Public Enquiry		
Legal Costs	£125,000	
Premises, Travel & Sundries	£5,000	
Expert Witnesses & Specialist Reports	£30,000	
Public Consultation	£5,000	
Advertising & Publicity	£5,000	
Demolition Costs		
Full Digital Point Cloud Survey	£50,000	Condition of Demolition Consent
Drawing Up of Survey	£35,000	Condition of Demolition Consent
Full Photographic Archive Survey	£18,000	Condition of Demolition Consent
Video Survey and Recording	£15,000	Condition of Demolition Consent
Sundry Conditions	£10,000	Condition of Demolition Consent
Archaeology Desk Top Survey	£2,000	Condition of Demolition Consent
Architectural Salvage Costs (by specialists)	£75,000	Demolition consent likely to require long term storage of the auditorium fibrous plaster possible future reconstruction e.g. Dunfermline Opera House & Scarborough Opera House
Long Term Storage Costs	£50,000	
Purchase of Storage Containers	£25,000	
Asbestos Removal	£175,000	
Scaffolding and Access Equipment	£32,000	
Demolition	£475,000	
Land Purchase Costs	£50,000	
Business Interruption Costs	£25,000	
Pollution Prevention Measures to Culvert	£12,000	
Propping of Party Walls	£15,000	
Underpinning Party Walls	£55,000	
Making Good Culvert Retaining Walls	£22,000	
Demolition of Bridge	£8,000	
Making Good to Party Walls	£75,000	
Infilling of Cellars to Datum	£25,000	
Landscaping to a minimum	£50,000	
Fencing and enclosure of site including Culvert	£10,000	
Revised Asbestos Surveys	£15,000	Asbestos surveys would have to be done again including areas not previously accessed
Party Wall Legal Costs & Licences	£12,000	

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INDICATIVE SCOPE OF COSTS FOR DEMOLISHING BURNLEY EMPIRE		
Element		Notes
Oversailing Legal Costs	£8,000	
CPO Costs	£10,000	
Licences & Permissions	£10,000	
Drainage Surveys	£1,500	
Ecology Surveys e.g. Bats	£1,500	
Search Fees and Land Registry	£3,000	
Sub-Total	£1,540,000	
Professional Fees @ 6%	£92,400	
Preliminaries @ 10%	£154,000	
Inflation @ 5%	£89,320	
Sub-Total	£1,875,720	
Contingency @ 15%	£281,358	
TOTAL	£2,157,078	Exclusions: Loss of Car park Income, Services capping, VAT

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APPENDIX B

BURNLEY EMPIRE: FIRST PHASE DEVELOPMENT COSTS			
	Initial enabling	Phase 1	TOTAL
Building works			
Revised Asbestos Surveys	£15,000		£15,000
Asbestos Removal	£175,000		£175,000
Roof Repairs	£15,000	£250,000	£265,000
Rainwater Management	£5,000	£50,000	£55,000
Stucco Stabilisation: Cow Lane		£250,000	£250,000
Structural Stabilisation	£10,000	£76,000	£86,000
Infestation	£5,000		£5,000
Timber Treatments & Removals		£36,000	£36,000
Removal of Waste	£6,000		£6,000
Reinstatement of Services	£5,500	£12,000	£17,500
Natural Ventilation - Opening Up		£12,000	£12,000
Security Systems	£6,000	£6,500	£12,500
Basic Services Installations		£75,000	£75,000
Install Temporary Proscenium Wall	£12,500		£12,500
Joinery to Staircases and Access	£10,000	£75,000	£85,000
Works to Stage House - floors etc	£12,000	£63,000	£75,000
Fire Prevention Works		£80,000	£80,000
Dressing Room Fit-Out: Training Rooms		£50,000	£50,000
General Repairs: Wind & Watertight	£18,000	£55,000	£73,000
Full Digital Point Cloud Survey		£50,000	£50,000
Drawing Up of Survey		£35,000	£35,000
Fibrous Plaster Stabilisation Costs		£75,000	£75,000
			-
Scaffolding and Access Equipment	£22,000	£60,000	£82,000
Land & Property Purchase Costs		£150,000	£150,000
Party Wall Legal Costs & Licences		£12,000	£12,000
CPO Costs		£10,000	£10,000
Licences & Permissions		£10,000	£10,000
Drainage Surveys		£1,500	£1,500
Ecology Surveys e.g. Bats		£1,500	£1,500
Search Fees and Land Registry		£3,000	£3,000
			£
Sub-total building costs	£317,000	£1,498,500	£1,815,500
Associated capital costs			

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BURNLEY EMPIRE: FIRST PHASE DEVELOPMENT COSTS			
	Initial enabling	Phase 1	TOTAL
Professional Fees @ 6%		£92,940	£92,940
Preliminaries @ 10%		£154,900	£154,900
Inflation @ 5%		£77,450	£77,450
Sub-total associated capital costs	£-	£325,290	£325,290
Sub-total capital costs	£317,000	£1,823,790	£2,140,790
Other project costs			
legal and professional costs to set up BPT	£3,000		£3,000
misc	£5,000		
HLF Round 1 Application: professional fees		£50,000	£50,000
Archive Drawing Scans		£500	£500
			-
Sub-Total	£8,000	£50,500	£53,500
			-
Total project costs	£325,000	£1,874,290	£2,194,290
Contingency @ 15%		£281,144	£281,144
TOTAL	£325,000	£2,155,434	£2,475,434

Exclusions: VAT

APPENDIX C: UCLan Ideas for Burnley Empire Theatre

The Burnley Empire Theatre Renovation project could be a fabulous opportunity for many areas of the local, regional and national communities. The learning and engagement opportunities that it could facilitate could be from primary school children through to short courses and local interest groups. The building and the various projects could respond to identified skill set shortages, for example in construction, be research opportunities for Masters and PhD students. Arts projects could explore identify and diversity in the local communities, foster and encourage connectivity between people and place. These projects could and should be interdisciplinary – to break down ideas of gender, race and culture.

Looking at the project from the point of view of the four areas of sustainability - Cultural, Social, Economic and Environmental will allow us to image some of the projects/involvement that certain courses/disciplines might engage with. Such an excellent 'live case study' could be used in classroom and facilitate workshop/field trip teaching delivery, students assignments work, dissertation research and knowledge transfer partnerships, where students could design and deliver 'services' to aid the scheme to progress, to flourish once completed and to be sustainable in the long term.

CULTURAL SUSTAINABILITY

A new area within the overall discussion about what sustainability is – in this case, it would cover areas of cultural identity and diversity, how people connect with the idea of place, art, literature and technology and how this information and knowledge is transferred between communities.

SOCIAL SUSTAINABILITY

The looks at the issues surrounding access to health, education and services, how age, race, aging and disability are supported and addressed.

ECONIMC SUSTAINABILITY

The explores the ideas of income generation for the building now and in the future, viability as an enterprise and about the affordability of the work needed to bring the building back to use and the long term issues surrounding maintenance and up keep.

ENVIROMENTAL SUSTAINABILITY

Covering aspects of energy use within the building and the idea that it is better to reuse existing resources, but also how technology might help function now and in the future and the impact these changes might have on the building, how it functions and how it is used.



CULTURAL SUSTAINABILITY

The building is a cultural resource for this and future generations, both as a tangible and intangible asset. It can be viewed from the aesthetic, historic, scientific, social and spiritual values it holds. However, the new uses and activities should also allow this generation to make its mark on the space, so that the future generation not only understand the history of yesterday, but the history of our generation.

Such project might include:

- Local historical groups working with schools, colleges and UCLan programmes recording, and reinterpreting material for today's generation to view.
- Exploring the idea of that is happening today and how that might be viewed as history of the future. E.g. the History of Bingo.
- Working with Film, Media and Performance to record the past in a creative and innovate fashion, supporting the development of new skills.
- Allowing the building to be a space to support cultural diversity and integrate – through events, learning and support. For example, Film/Music/Theatre/Festivals.

SOCIAL SUSTAINABILITY

The social sustainability of communities and the wellbeing of the people and the society is maintained and enhanced, if the building can work to provide services, meeting places and cultural opportunities. The areas around the building – the public realms, the outside spaces help the community build identities and through this, there is participation with in the building and the activities that it might accommodate.

An understanding of what the community did need (past), what it does need (present) and what it might need (future) is key to this aspect. The communities need to have a reason to be there, which will bring them in – and through these community links, value is added to the building and its functions and then the communities are able to manage and facilitate any further change that might be identified.

These spaces need to be flexibility and adaptable.

Such Project might include:

- Working with the B.Sc. (Hons) Architectural Technology/Architecture and Interior Design students on how to adapt and design such community spaces.
- Allowing students from local colleges and schools access to the site to expertise first-hand the work that is needed to adapt spaces.
- Setting up workshops to explore ideas of 'brief development' for the Burnley Empire Trust
- Community consultation on potential uses and project decision making.



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- Working with the Community, Children and Social Care disciplines at UCLan to arrange and facility workshops and activities to identify possible communities, who are missing and or under-represented.

ECONOMIC SUSTAINABILITY

If there is no viable use for the building, it will fall into neglect and despair, which is what it, has happened over the last 20 years – it might need a radical intervention to justify its long-term use. Similar new uses are would be the easiest for this building to accommodate – i.e. use the tiered seating for a cinema or lecture theatre, or to treat the building to a more radical intervention, where more to the internal fabric is lost, but a viable alternative is allowed to develop.

Look at precedents both locally for example The Weavers' Triangle and regionally, but also nationally and internationally to learn from other examples.

Such Project might include:

- Revisit the Waterside Heritage Led Regeneration project
- Reflective evaluation of this (and others) project's successes and failures.
- Encourage Arts organisation to run a series of events highlight the building, its cultural heritage and the issues it faces E.g. The Super Slow Way – '*staging new creative revolution , powered by art and people*'
- More radical alternatives for example 'Escape Rooms/ Zombie Quests'

ENVIROMENTAL SUSTAINABILITY

It should be obvious that the continued use and adaption of an existing building is more preferable then to replace it with a new building, as it minimises using new resources and avoids sending waste to landfill sites.

To successful adapt an existing building it requires a proper assessment and understanding of its values. Learning that what was acceptable in the past might conflict with requirements today and in the future. This might relate to heating, lighting, ventilation and cooling, but also disability access, means of escape and the use of certain materials. The continued use of the rational occupation is often the best and simplest to deal with, however this is often not viable and alternatives that are more radical need to be explored.

Such Project might include:

- Learning best practice methods for retrofitting /improving energy efficiency of existing buildings.
- Learning rational craft skills, identifying needs in the heritage/construction sector and working with local schools and colleges to address these through training, CPD and vocational courses to up skill an existing workforce.



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- Diagnosis of defects and research-based proposals for repair
- Project Management
- Funding applications
- Historical interpretation to inform significance based decision making
- Building fabric and materials research to aid restoration specifications

UCLan provides small business start-up support and the Empire project could provide a suitable basis for skills development in a lower risk (professional) environment. Students of the BSc (Hons) Architectural Technology and the MSc Building Conservation and Adaptation and possibly other courses/disciplines, would be encouraged to develop entrepreneurial skills in exploring the business potential of developing heritage-based expertise in areas such as grant fund applications, viability studies, survey and appraisal of defects, heritage statement and project management.

The Burnley Empire project would provide a unique opportunity in these multiple regards and additional opportunities in addition to those already listed here would doubtless arise.

BURNLEY EMPIRE THEATRE
PHASE II BUDGET

Description of Works	Cost	Sub-Totals
James Street Entrance		
Demolitions and Stabilisation	£ 25,000.00	
Construction of Small New Entrance Foyer (Designed for Optional Later Expansion)	£ 180,000.00	
Bridge Stabilisation	£ 20,000.00	
Services	£ 8,000.00	
Decoration & Fit-Out	£ 22,000.00	
Toilets & Welfare	£ 27,500.00	
Electrical Installation	£ 78,000.00	
Heating	£ 22,000.00	
Sub-Total		£ 382,500.00
Stage House		
Builders Work	£ 125,000.00	
Services	£ 8,000.00	
Link to James Street Entrance Building Works	£ 22,000.00	
Stage Floor Stabilisation	£ 12,000.00	
Temporary Fire Wall to Proscenium Opening	£ 10,500.00	
Timber Treatment	£ 11,000.00	
Painting	£ 55,000.00	
Fly Floor Stabilisation	£ 11,500.00	
Grid Stabilisation	£ 16,000.00	
Access Walkways & Ladders	£ 17,500.00	
Fire Alarms (Inc James Street)	£ 62,000.00	
Security Systems (Inc James Street)	£ 29,500.00	
Windows Reglazed and Repaired	£ 14,000.00	
Sump Pump	£ 7,500.00	
Electrical Installation	£ 83,000.00	
Heating	£ 37,500.00	
Sub-Total		£ 522,000.00
Auditorium (For Training Purposes)		
Enabling/Demolitions and Removals	£ 22,000.00	
Builders Work	£ 275,000.00	
Internal Structural Repairs	£ 82,000.00	
Joinery Works: Staircases Foyers etc	£ 93,000.00	
Services (75K in Phase I)	£ 18,000.00	
Timber Treatment (£36K in Phase I)	£ 37,000.00	
Plasterwork Stabilisation (£55K in Phase I)	£ 155,000.00	
Training Equipment & Fit-Out	£ 35,000.00	
Industrial Lighting	£ 23,000.00	
Industrial Heating	£ 21,000.00	
Industrial Ventilation (Stott ventilator)	£ 11,000.00	
Fire Alarms	£ 73,000.00	
Security (£12.5K in Phase I)	£ 31,000.00	
Toilets & Welfare	£ 27,500.00	
Sub-Total		£ 903,500.00
Dressing Room Block		
Services	£ 23,000.00	
Supplementary Fit-Out to Phase I	£ 17,000.00	
Fire Alarms	£ 8,000.00	

BURNLEY EMPIRE THEATRE
PHASE II BUDGET

Security	£	7,500.00	
Sub-Total			£ 55,500.00
Grand Sub-Total	£	1,863,500.00	
Professional Fees @ 10%	£	186,350.00	
Preliminaries @ 10%	£	186,350.00	
Inflation @ 5%	£	111,810.00	
Sub-Total	£	2,348,010.00	
Contingency @ 15%	£	352,201.00	
TOTAL	£	2,700,211.00	

Exclusions: VAT

Note: All costs developed on a theoretical brief

Note: Expenditure would be incremental as funding became available

Padiham Townscape Heritage HLF Grant

Report to the Executive



DATE	15/08/2017
PORTFOLIO	Regeneration and Economic Development
REPORT AUTHOR	Sarah Heslop
TEL NO	01282 425011 ext. 3144
EMAIL	sheslop@burnley.gov.uk

PURPOSE

1. To update the Executive on the status of the Heritage Lottery Fund (HLF) application for the Padiham Townscape Heritage (TH): Crafting the Future scheme and seek approval to accept the funding.

RECOMMENDATION

2. That the Executive:
 - Notes that a successful application has been made by the Head of Regeneration and Planning Policy to HLF to support the regeneration of Padiham Conservation Area and related community activities
 - Accepts the grant of £1,400,500 from the HLF in accordance with their standard terms of grant
 - Notes the principal delivery elements of the 5 year Padiham: Crafting the Future Scheme
 - Delegates authority to the Section 151 Officer to sign the required 'Permission to Start' form to confirm acceptance of the grant award along with all the associated requirements

REASONS FOR RECOMMENDATION

3. To allow officers to progress with the Delivery Phase of the Padiham TH project.
4. HLF require the Council to compete and submit a signed 'Permission to Start' form to confirm acceptance of the grant award along with all the associated requirements. Once HLF have approved the request the Council will be able to start work on the scheme and seek subsequent grant payments.

SUMMARY OF KEY POINTS

5. As previously reported to the Executive, the Padiham TH project is focussed on a compact

area of mostly Victorian buildings, predominantly in retail use, at the heart of the conservation area, an area known locally as 'The Hill'. The 5 year programme aims to bring back traditional life and vitality to the historic core and renew the appreciation of the town's rich heritage and strong connections with Gawthorpe Hall, through three principal themes:

- Repair and restoration works to buildings – this will involve grant aided works available to property owners within the TH boundary at a fixed percentage rate (75%) to cover the costs of external repair and restoration works to retain the historic nature of the area. Where applicable, grants to bring vacant floorspace back into use will also be available. This is seen as key for the area in terms of increasing footfall and spend. Increases in occupancy will also ensure that the buildings are better looked after and maintained. Under this workstream the Council will also deliver an exemplar refurbished building to set an example of good craftsmanship and to deliver immediate impact at a prominent location on 'The Hill'.
- Public realm scheme - £430,000 is earmarked for environmental improvements within the TH area to include decluttering of street furniture, introduction of traffic calming measures, new pavement surfaces and public art.
- Wider activity programme – Working with local partners, the Padiham TH will deliver a Borough wide programme of community engagement events and heritage skills training activities throughout the lifetime of the project, to deliver a skills and education legacy. The TH programme will also support regeneration and business development throughout the town centre by celebrating all things home made in Padiham. This will include the development of a marketing strategy "Home made on the High Street" to build on the growing cluster of creative businesses and draw on Padiham's heritage and connections to the Rachel Kay-Shuttleworth and Gawthorpe Textiles Collection.

6. The Head of Regeneration and Planning Policy submitted the application for HLF funding to support the project on 28th February 2017. The application was approved by the HLF regional board on 22 June 2017 and subsequently the Council has received an Award Letter from HLF on 10 July 2017 confirming that a grant of up to £1,400,500 has been awarded towards the Padiham: Crafting the future project.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

7. The total Delivery Phase costs over the five year period 2017 - 2022 are estimated at £2,161,980, which will be funded by £1,400,500 HLF grant, £200,000 from Burnley Council, £239,630 private sector match, £250,000 from the Lancashire Enterprise Partnership North West Burnley Growth Corridor funding and £71,850 from other third parties.
8. The total Delivery Phase costs of £2,161,980 will be split between £1,891,526 Capital (£1,461,526 Physical works to buildings and £430,000 Public Realm works) and £270,454 Revenue (£185,454 project management and £85,000 activity costs).
9. There is already £1,999,363 included in the capital programme, including the £200k contribution from Burnley Council, so the £107,837 reduction necessary to bring the

required capital budget down to £1,891,526 will be made in due course.

10. The £270,454 Revenue costs are 100% funded from HLF and other grants and will be incorporated into the 2017/18 to 2022/23 Revenue budgets accordingly.

POLICY IMPLICATIONS

11. The scheme is a high priority and delivers the Council's objectives on prosperity and place.

DETAILS OF CONSULTATION

12. None.

BACKGROUND PAPERS

13. None.

FURTHER INFORMATION

PLEASE CONTACT: Sarah Heslop, 01282 425011 x3144

ALSO:

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REPORT TO EXECUTIVE



DATE	15 August 2017
PORTFOLIO	Resources and Performance Management
REPORT AUTHOR	David Donlan
TEL NO	(01282) 477172
EMAIL	ddonlan@burnley.gov.uk

Revenue Budget Monitoring 2017/2018

PURPOSE

- To report the forecast outturn position for the year as at 31 March 2018 based upon actual spending and income to **30 June 2017**.

RECOMMENDATION

- The Executive is asked to:
 - Note the projected revenue budget forecast underspend of £70k (see the overview table in paragraph 6).

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

 - The latest revised budget of £14.596m as shown in Appendix 1.
 - The net transfers from earmarked reserves of £1.582m as shown in Appendix 4.

REASONS FOR RECOMMENDATION

- To give consideration to the level of revenue spending and income in 2017/18 as part of the effective governance of the Council and to ensure that appropriate management action is taken to ensure a balanced financial position.

SUMMARY OF KEY POINTS

- Revenue Budget Monitoring Process**
 There are 3 in-year reports on revenue budget monitoring presented to the Executive and the Scrutiny Committee during the course of the financial year. This is the first in-year report for 2017/18. In addition to these 3 reports there is a final combined report for revenue and capital to consider the actual spending at the end of the financial year compared with the revised revenue budget. Under the scheme of delegation each budget area is delegated to a Head of Service who remains accountable for the effective discharge of financial management as an integral part of achieving strategic objectives and in turn meeting service

delivery priorities.

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

5. **Budget Changes**

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

- Virements approved by Heads of Service and Management Team.

Decisions confirming additional awards of grant and contributions up to £50k approved by Heads of Service and Management Team.

- Executive Member for Resources and Performance Management decisions confirming additional awards of grant and contributions over £50k.
- Decisions made by the Executive.

Members are asked to approve the latest revised budget of £14.596m as shown in Appendix 1.

6. Revenue Budget Summary

As at the end of June 2017, the overall financial position is currently projected to be a £70k underspend, as shown in the table below:

	Latest Revised Budget £'000's	Forecast Outturn £'000's	Variance £'000's	Paragraph
Pay	9,205	9,205	0	
Other revenue budgets	9,533	9,463	(70)	
Reserves	(4,142)	(4,142)	0	17
Financed by:	14,596	14,526	(70)	
Collection Fund surplus	(81)	(81)		
Business Rates	(4,376)	(4,376)		
Revenue Support Grant	(2,778)	(2,778)		
Council Tax	(6,391)	(6,391)		
New Homes Bonus	(970)	(970)		
Forecast underspend at end June 2017	0	(70)	(70)	
Due to:				
<u>Recurring variations</u>				
CCTV costs of shared service			(50)	7
Insurance savings			(38)	8
Pension fund contribution savings			(112)	9
<u>One-off variations:</u>				
Increased income			(140)	10
Markets income reduction			59	11
Energy costs savings			(40)	12
Savings in income sharing arrangement with Liberata			(133)	13
Top up of business support programme			95	14
Costs of workforce planning exercise			100	15
Increased revenue contribution to capital outlay (rcco)			90	16
Other net savings			(1)	
			(170)	
Budgeted efficiency target			100	
Overall underspend position			(70)	

In setting the budget for 2017/18, it was assumed that £150k would be saved through not filling posts immediately. The latest position is that £96k of salary savings have been secured to date. In forecasting the outturn position above to the 31 March 2018, it is assumed that the target will be achieved.

It was also agreed that there would be an in-year efficiency savings / additional income target of £100k. It is forecast that this will be exceeded by £70k.

7. **CCTV cost savings (- £50k)**
Efficiency savings arising from the shared service with Blackburn with Darwen Council.
8. **Insurance savings (- £38k)**
These have accrued as a result of efficiencies achieved from the insurance contract.
9. **Pension contribution savings (- £112k)**
An annual saving equating to a rate of return of 3% was achieved by making a pre-payment to the Lancashire pension fund. Given the base rate of 0.25% and treasury investments for 2016/17 achieving an average rate of return of 0.49%, this is a significant increase.
10. **Increased income (- £140k)**
Heads of service have reported an overall increase in forecast income for the year. This includes £70k for disabled facilities due to additional grant allocations resulting in more schemes completed, £35k for various services within Streetscene (including green and trade waste), and £35k for repayments from Burnley Leisure.
11. **Markets income reduction (£59k)**
The Markets manager has reported a forecast shortfall in income of £59k due to an increase in vacant stalls and less footfall in the market.
12. **Energy cost savings (- £40k)**
Based on current trends and consumption, it is estimated that a £40k saving on gas and electricity costs can be achieved in 2017/18.
13. **Strategic partnership savings (- £133k)**
The Council has an income sharing agreement with Liberata. This agreement incentivises both parties to achieve more income by Liberata staff identifying errors in single persons discount, council tax support, and the receipt of new homes bonus by returning empty properties back into use. Mainly due to the changes in the funding allocations methodology for new homes bonus, the partner will only receive a payment of £48k for the year compared to a budgeted £167k (saving £119k). Although this is a saving to the Council, it means that the Council will not receive as much additional income in future years as was hoped.

The Council also has an agreement about the funding of additional pensions costs for those staff transferred to the partner after the date of transfer. This protects both the staff and the partnership should unforeseen changes occur. The pensions actuaries have reestimated the funding position of the transferred pension liability and identified a saving of £14k. Liberata have agreed to pass this saving to the Council.
14. **Business Support Programme (£95k)**
A top-up is required in the business support programme funding to meet forecast demand in the current year.

15. **Workforce planning costs (£100k)**

The Council is making significant progress in identifying areas for efficiencies in order to close the £1.8m funding gap in the medium term financial strategy for 2018/19. This will inevitably mean some staffing reductions and consequential costs of redundancies and pension strain. These costs resulting from the workforce planning report due to be completed in September 2017 will be chargeable to this financial year. Early indications are that these costs will be in the region of £100k as last years resulted in thirteen staff being made redundant at a cost of £219k. Every effort will be made to minimise the impact on staff and the costs.

16. **Revenue Contribution to Capital Outlay (RCCO £90k)**

Lancashire County Council have informed the Council that the estimated cost of the Lower St James street capital scheme has increased by £90k from £560k to £650k. It is proposed that this cost is funded from in-year revenue underspends by way of a RCCO. LCC have indicated that if there is sufficient funds available at the completion of the overall growth deal programme, then they will compensate the Council for this additional cost. The overall programme will not be complete for a few years.

17. **Earmarked Reserves**

The table in Appendix 4 summarises the latest position. The recommendation is to release a net £1.582m from reserves to fund previously committed schemes in the capital programme and the revenue services. These include Vision Park, the land at Grove Lane, Lower St James street pedestrianisation, Padiham Town Hall and the revenue budget carry forwards for services approved in the 2016/17 closure of accounts.

18. **Revenue Implications of the Changes to the Capital Budget**

The proposed revised capital budget for 2017/18 includes a use of Prudential Borrowing totalling £3,956,882.

The revenue implications of borrowing £3,956,882, are an increase in the Minimum Revenue Provision [MRP] of £135k and an interest charge, assuming 3% on the borrowing would equate to £119k.

The MRP costs are not incurred until 2018/19, and the interest cost will be dependent on the timing of the borrowing. The full year costs will be included within the revenue budget for 2018/19.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

19. As shown in the body of the report.

POLICY IMPLICATIONS

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

DETAILS OF CONSULTATION

21. None.

BACKGROUND PAPERS

22. None

**FURTHER INFORMATION
PLEASE CONTACT:**

**David Donlan - Accountancy Division
Manager**

Movements in Revenue Budget 2017/18 - to 30 June 2017

Service Unit	Original Budget	Changes this Cycle (Cycle 1)	Transfers to / (from) Earmarked Reserves (see App 4)	Grants Unapplied carried forward from 2016/17	TOTAL OVERALL MOVEMENT	Revised Budget
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Management	456	-	-	-	-	456
Regeneration and Planning Policy	1,501	60	45	213	318	1,819
Leisure Trust Management Fee	601	(178)	-	-	(178)	423
Leisure Trust Client	183	15	10	-	25	208
Green Spaces and Amenities	849	163	40	38	241	1,090
Streetscene	2,673	-	-	17	17	2,690
Housing and Development Control	493	-	-	68	68	561
Corporate Engagement	364	-	-	3	3	367
Policy & Performance	94	-	-	3	3	97
Governance, Law, Property and Regulation	720	1	(152)	-	(151)	569
People & Development	268	11	10	-	21	289
Finance	697	2	-	-	2	699
Strategic Partnership	3,570	-	-	-	-	3,570
Revenues and Benefits	(1,349)	-	-	34	34	(1,315)
Treasury Management	839	101	-	-	101	940
Corporate Budgets	4,821	(115)	1,569	-	1,454	6,275
Use of Earmarked Reserves	(2,184)	(60)	(1,522)	(376)	(1,958)	(4,142)
	14,596	-	-	-	-	14,596

Revenue Budget Update by Service Area as at 30 June 2017

Appendix 2

Service Unit	Revised budget for year				Forecast outturn for year				Forecast Variance			
	Pay	Non Pay	Income	Total	Pay	Non Pay	Income	Total	Pay	Non Pay	Income	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Management	436	20	-	456	436	20	-	456	-	-	-	-
Regeneration and Planning Policy	1,099	1,413	(693)	1,819	1,067	1,413	(614)	1,866	(32)	-	79	47
Leisure Trust Management Fee	-	423	-	423	-	423	-	423	-	-	-	-
Leisure Trust Client	-	448	(240)	208	-	448	(275)	173	-	-	(35)	(35)
Green Spaces and Amenities	1,834	1,157	(1,901)	1,090	1,834	1,157	(1,901)	1,090	-	-	-	-
Streetscene	1,051	3,884	(2,245)	2,690	997	3,824	(2,280)	2,541	(54)	(60)	(35)	(149)
Housing and Development Control	1,249	416	(1,104)	561	1,249	411	(1,174)	486	-	(5)	(70)	(75)
Corporate Engagement	372	289	(294)	367	372	384	(294)	462	-	95	-	95
Policy & Performance	103	12	(18)	97	103	12	(18)	97	-	-	-	-
Governance, Law, Property and Reg'n	950	1,953	(2,334)	569	940	1,915	(2,334)	521	(10)	(38)	-	(48)
People & Development	197	92	-	289	197	92	-	289	-	-	-	-
Finance	637	142	(80)	699	637	142	(80)	699	-	-	-	-
Strategic Partnership	-	3,570	-	3,570	-	3,437	-	3,437	-	(133)	-	(133)
Revenues and Benefits	-	31,864	(33,179)	(1,315)	-	31,864	(33,179)	(1,315)	-	-	-	-
Treasury Management	-	1,017	(77)	940	-	1,017	(77)	940	-	-	-	-
Corporate Budgets	1,277	4,738	260	6,275	1,373	4,870	260	6,503	96	132	-	228
Use of Earmarked Reserves	-	-	(4,142)	(4,142)	-	-	(4,142)	(4,142)	-	-	-	-
Total	9,205	51,438	(46,047)	14,596	9,205	51,429	(46,108)	14,526	-	(9)	(61)	(70)

Revenue Budget Variance Analysis 2017/18 (as at 30 June 2017)

Appendix 3

Service Unit	Last Report			Current Report			Movement			Explanation (Non pay/income £20k and over)
	Forecast Variance			Forecast Variance			Movement			
	Pay	Non Pay	Income	Pay	Non Pay	Income	Pay	Non Pay	Income	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Management	-	-	-	-	-	-	-	-	-	
Regen & Planning Policy	-	-	-	(32)	-	79	(32)	-	79	Income - (£79k) £59k shortfall in Markets income due to stall vacancies, £20k shortfall in town centre pitch income effected by pedestrianisation works.
Leisure Trust Management Fee	-	-	-	-	-	-	-	-	-	
Leisure Trust Client	-	-	-	-	-	(35)	-	-	(35)	Income - (£35k) Repayments of one-off costs by Burnley Leisure.
Green Spaces	-	-	-	-	-	-	-	-	-	
Streetscene	-	-	-	(54)	(60)	(35)	(54)	(60)	(35)	Non Pay - (£60k) Savings in cctv costs from the shared service with Blackburn of £50k and forecast other minor underspendings of £10k. Income - (£35k) Additional income (£43k) for Green and Trade Waste, (£26k) estimated 10% share of Kingdom Litter enforcement, less £34k shortfall in other income including car parking and community safety.
Housing & Development Control	-	-	-	-	(5)	(70)	-	(5)	(70)	Income - (£70k) Additional disabled renovations income following increased schemes and allocation from Government.
Corporate Engagement	-	-	-	-	95	-	-	95	-	Non Pay - (95k) Top-up of business support programme funding based on forecast demand in the current year.
Policy & Performance	-	-	-	-	-	-	-	-	-	
Governance, Law, Property and Reg'n	-	-	-	(10)	(38)	-	(10)	(38)	-	Non Pay - (£38k) Efficiencies achieved from the insurance contract.
People & Development	-	-	-	-	-	-	-	-	-	
Finance	-	-	-	-	-	-	-	-	-	
Strategic Partnership	-	-	-	-	(133)	-	-	(133)	-	Non Pay - (£133k) Savings following efficiencies achieved from finalisation of results of income sharing agreement.
Revenues & Benefits	-	-	-	-	-	-	-	-	-	
Treasury	-	-	-	-	-	-	-	-	-	
Corporate Budgets	-	-	-	96	132	-	96	132	-	Non-Pay - (£132k) - Estimated savings on both energy (£40k) and water charges (£15k). Savings of (£112k) on pensions resulting from up-front funding paid to the pension fund. Estimated cost of redundancies and pension strain of £100k which may be incurred following the workforce planning and budget exercise later in the year. There is also a newly proposed RCCO of £90k for the Lower St James street capital scheme. Minor net estimated overspend of £25k. These net increased costs totalling £32k are to be set off against the Corporate efficiency target budget of £100k.
Transfers to / (from) Reserves	-	-	-	-	-	-	-	-	-	
Total	-	-	-	-	(9)	(61)	-	(9)	(61)	

Net Est. Revenue Budget
(Underspend)/Overspend

-

(70)

(70)

Position on Earmarked Reserves as at 30 June 2017

Appendix 4

Position on Earmarked Reserves	Transformation £'000	Growth £'000	Other Specific £'000	Total £'000
Opening Balance 1/4/17	(2,749)	(2,626)	(2,281)	(7,656)
Original Budget 2017/18 - Use of Reserves 2017/18	240	1,060	884	2,184
	(2,509)	(1,566)	(1,397)	(5,472)
changes in cycle 1	1,028	259	295	1,582
Anticipated Balance at 31st March 2018	(1,481)	(1,307)	(1,102)	(3,890)
Approved Use of Reserves in future years	-	1,140	516	1,656
Balance after approvals	(1,481)	(167)	(586)	(2,234)

REPORT TO THE EXECUTIVE



DATE	15th August 2017
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	David Donlan
TEL NO	(01282) 477172
EMAIL	ddonlan@burnley.gov.uk

Capital Budget Monitoring Report 2017/18 Cycle 1 (to 30th June 2017)

PURPOSE

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

RECOMMENDATION

- 2 The Executive is asked to:
 - Recommend to Full Council, approval of the revised capital budget for 2017/18 totalling £15,589,217, as outlined in Appendix 2.
 - Recommend to Full Council, approval of the proposed financing of the revised capital budget totalling £15,589,217 as shown in Appendix 3.
 - Note the latest estimated year end position on capital receipts and contributions showing an assumed balance of £2,231,605 at 31st March 2018, in Appendix 4.
 - Recommend to Full Council, approval of a new Capital Scheme for the Calder Park Sport & Play Equipment, totalling £13,700, funded from 3rd Party Contributions and Ward Opportunities Fund.
 - Recommend to Full Council, approval of a new Capital Scheme for the Brun Valley Forest Park, totalling £10,486, funded from 3rd Party Contributions.

REASONS FOR RECOMMENDATION

- 3 To effectively manage the 2017/18 capital programme.

SUMMARY OF KEY POINTS

2017/18 CAPITAL PROGRAMME:

4 MONITORING INFORMATION:

On the 22nd February 2017 Full Council approved the 2017/18 original capital budget, totalling £12,027,721. Since February, a number of reports have been approved by the Executive, resulting in revising the 2017/18 capital budget to £13,936,309 [as at the 4th

July 2017 Executive Meeting].

This is the first round of in-year cyclical monitoring, and as such the appendices accompanying this report provide Members with the position as at 30th June 2017 on expenditure, along with providing Members with an update on the progress of the individual schemes delivery.

5 **EXECUTIVE SUMMARY:**

a) Burnley Town Centre Pedestrianisation Upgrade – Appendix 1

At its joint project meeting with LCC on 22 March 2017, LCC officers reported that there was a significant cost increase to the project. This was despite the Council being informed at the four previous project meetings that the project was on budget (see Appendix 1 for timeline of meetings and relevant minutes).

The current position is that in order to complete the scheme as envisaged, a shortfall of £650k must be met. LCC have confirmed that they will provide 50% of the shortfall (£325k) subject to this Council increasing its contribution by the same amount. Our concerns about the poor financial management of the project have been raised with the Council who have offered that the full costs and financial records can be inspected. This offer will be taken up, however due to the fact that any delay in decision making would result in additional overhead costs and delays in the completion of the project, the Council needs to consider the issue of the additional costs now. LCC have reported that the main reasons for this increase are as follows:

- Changes to the scope and design of the works from the original concept
- Unforeseen ground conditions requiring additional preparation works
- Additional works to the existing drainage system
- Additional service ducts for street lighting infrastructure
- Material cost increases
- Works being more complex than anticipated, requiring more resources to deliver to programme
- Temporary works to accommodate businesses
- Additional works required by utility companies.

One option to reduce the additional cost would be to not undertake improvement work on Parker Lane, however due to the importance of this work to the continued viability of Burnley town centre and the need to ensure that the town centre pedestrianised area is all of the same high quality, it is recommended that this option is not followed.

In light of the above, the additional £325k increase to the budget is recommended.

- ### b) Expenditure Monitoring - Appendix 2 provides a detailed breakdown of the revised capital budget, scheme by scheme, presented under each of the relevant service unit areas responsible for delivering the capital projects. It shows the recommended revised budget position and expenditure as at the end of June 2017. The expenditure to date is £2,797,837 which is 18% of the proposed revised budget.

- c) Revised Budget and Financing Elements - Appendix 3 shows the revised budget of £15,589,217 along with identifying the recommended financing elements on a scheme by scheme basis.
- d) Council Resources Position - Appendix 4 shows the latest position on capital receipts, section 106 monies and 3rd party contributions. As at the end of this round of budget monitoring the assumed level of “surplus available” local resources after taking into account the 2017/18 capital commitments, totals £2,231,605.

6

REVENUE IMPLICATIONS

Revenue Contributions 2017/18

The Capital Programme includes Revenue Contributions totalling £3,011,484, being:

Scheme Name	£
Thompson Park Restoration Project	164,759
Vehicle & Machinery Replacement	88,138
Lower St James Street	400,000
Chewing Gum Removal Machine	40,000
Vision Park	307,000
Market Safety Works	477,480
Land at Grove Lane; NW Burnley Growth Corridor	986,855
Padiham Townscape Heritage Initiative	36,373
Building Alteration Works	3,107
Padiham Town Hall - Flood Works	132,772
Contribution to Shopping Centre Redevelopment	375,000
Total Revenue Contributions	3,011,484

Prudential Borrowing 2017/18

The proposed revised capital budget for 2017/18 includes a use of Prudential Borrowing totalling £3,956,882.

The revenue implications of borrowing £3,956,882, are an increase in the Minimum Revenue Provision [MRP] of £135k and an interest charge, assuming 3% on the borrowing would equate to £119k.

The MRP costs are not incurred until 2018/19, and the interest cost will be dependent on the timing of the borrowing. The full year costs will be included within the revenue budget for 2018/19.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION
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7 As set out in the body of the report.

POLICY IMPLICATIONS

8 None arise directly from this report.

DETAILS OF CONSULTATION

9 None.

BACKGROUND PAPERS

10 None.

FURTHER INFORMATION

David Donlan Accountancy Division Manager Ext 7172

Asad Mushtaq Head of Finance Ext 7173

Appendix 1 - Budget Extracts from Burnley Town Centre Programme Meetings

Programme Meeting No6. 8th July 2016

Item 4 Budget Review

LCC Operations Manager's view is that the scheme is currently on target. This will be reviewed more thoroughly against each phase at the next programme meeting. LCC Operations Manager to review costs and forecasts ahead of the next meeting.

Programme Meeting No7. 13th September 2016

Item 4 Cost Estimate and Funding

BBC to supply actual spend and forecast furniture costs as soon as possible after Streetscene Engineer returns from leave.

LCC Operations Manager to issue actual cost/revised forecast as soon as data available (target end of Sept 2016).

Programme Meeting No8. 20th October 2016

Item 3 Cost Estimate and Funding

LCC Operations Manager presented latest costs and estimates for the scheme up to phase 7. Forecast is currently on target against the scheme baseline (March 2016).

LCC Operations Manager to update the forecast for the remaining phases as soon as the design details for phase 10 have been agreed.

Programme Meeting No9. 12th December 2016

Item 3 Cost Estimate and Funding

LCC Operations Manager reported that the costs of the scheme is broadly on target.

Subject to receiving the latest plan and quantities for phase 1, LCC Operations Manager to reconcile costs to date and review the cost estimate to complete.....scheme cost estimate to be considered at the next Programme meeting in Jan 2017.

No Programme Meeting was convened by LCC in January 2017 due to minimal scheme activity over the Christmas period and the cost exercise not being completed at this time. Regular 'operational meetings' were maintained and no fundamental cost issues were raised. A date was set for March 2017.

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Scheme Name	Budget as at	Adjustments Per This Report		Revised Budget to be Approved	Total Spend as at 30/06/17	% Schemes Spend	Narrative provided by Project Officers/Heads of Service
	Exec 04/07/17	Budget Adjustments	Reprofiled into Future Years				
	£	£	£	£	£	£	
GREEN SPACES & AMENITIES							
Thompson Park Restoration Project	940,176			940,176	31,469	3%	Planning consent has been obtained, detailed design work is in progress and schemes will go out to tender in August 2017. The contract for the car park has been tendered in advance so that it is complete in time for international miniature railway event
Towneley Hall Building Works	100,000			100,000	-	0%	Liberata are discussing the prioritisation of these works over the summer months.
Vehicle & Machinery Replacement	88,138			88,138	11,111	13%	Vehicle and machinery specifications have been prepared and quotations obtained
Extension of Burnley Cemetery	421,087	(400,000)		21,087	-	0%	£21,087 detailed design and planning application works. Remaining budget dependant on the outcome of the detailed application works.
Towneley Hall Overspill Car Park	38,500			38,500	195	1%	Scheme has been granted planning consent, tendered and contract is due to start on site mid July 2017
Calder Park Sport & Play Equipment	-	13,700		13,700	-	0%	Approval requested to allocate £13,700 from third party receipts and Ward Opportunities Fund, for equipment at Calder Park
Brun Valley Forest Park	-	10,486		10,486	-	0%	Approval requested to allocate £10,486 from third party receipts to works at Brun Valley Forest park
	1,587,901	(375,814)	-	1,212,087	42,775	4%	

STREETSCENE							
River Training Walls	134,183			134,183	23,265	17%	Hammerton Street River Training Wall works have been completed. Design works are on-going for schemes in Towneley Park, Thompson Park and Bank Hall on both the River Calder and River Brun. It is anticipated that major construction costs will be accrued in Quarters 3 and 4.
Car Park Improvements	10,000			10,000	-	0%	Currently staff are assessing and then trialling alternative payment mechanisms, which if successful, will require upgrading of the existing infrastructure and machines. Due to this process, it is likely that the major spend will be in the last quarter of the year.
Burnley Town Centre Pedestrianisation Upgrade	253,285	325,000		578,285	-	0%	The town centre works are continuing, with St James Street due to finish at the end of November 2017, and Parker Lane in early 2018. See note 5a of report
Lower St James Street	280,000	120,000		400,000	-	0%	Officers have been working with LCC on the details of the scheme. Specifications are being finalised, however it appears that the revised total cost will be £650,000. This will be part funded with £250,000 coming from LCC's Growth Deal funding with the balance of £400,000 being Burnley's contribution. We currently have £310,000 set aside in our Growth Reserve. The £120,000 adjustment reflects the additional cost to Burnley of £90,000 plus £30,000 originally profiled to be spent in 2018/19 as it is now expected that the scheme will be completed in 2017/18. LCC have indicated that if there is an underspend in the wider Growth Deal Programme, this will be made available to cover the additional £90,000 costs, however in the absence of that, it is proposed that the additional £90,000 be funded from in year revenue budget underspends (or the Council's Growth Reserve as a final option). It is anticipated that works will begin on-site late September for six months to completion.
Alleygate Programme	25,000			25,000	-	0%	Funding will supply approximately 6 new schemes which will be selected from a consideration list of 73 applications. Selection and consultation to take place Quarter 3 and installation completed Quarter 4.
CCTV Infrastructure	77,773			77,773	-	0%	BBC are contributing to the 'Hub Project' in Blackburn, the exact amount of which is not known at the moment due to on-going works. The remainder of the monies will be spent this financial year changing analogue cameras to digital ones which provide clearer pictures, the recording from which, will provide better quality evidence.
Bus Shelter Replacement	8,000			8,000	-	0%	It is proposed to replace three existing shelters with three new ones in Quarter 3. A priority list is now being drawn up by officers. It is not intended to provide new shelters in new locations as this will increase the authority's maintenance liability.
Chewing Gum Removal Machine	40,000			40,000	-	0%	Following options appraisal procurement is likely for Quarter 2
	828,241	445,000	-	1,273,241	23,265	2%	

Scheme Name	Budget as at Exec 04/07/17 £	Adjustments Per This Report		Revised Budget to be Approved £	Total Spend as at 30/06/17 £	% Schemes Spend £	Narrative provided by Project Officers/Heads of Service
		Budget Adjustments £	Reprofiled into Future Years £				
REGENERATION & PLANNING POLICY							
University Technical College	22,500			22,500	-	0%	Access works to the roof will be completed over the Summer
Vision Park	3,304,962			3,304,962	560,729	17%	The Vision Park project remains on target with practical completion of Phase 1 due on 1st September 2017. The budget forecast for 2017/18 is unchanged
Weavers Triangle - Starter Homes	386,021			386,021	138,338	36%	Works started on site in February 2017 with a 12 month build out period. Budget forecast for 2017/18 is unchanged
Infrastructure & Highways Works	41,608			41,608	-	0%	Retention period has now ended, awaiting final invoice from LCC
Market Safety Works	1,580,636			1,580,636	5,810	0%	Procurement of a demolition contractor is being undertaken with start on site programmed for later in the year once necessary permissions have been given from adjoining interests.
Land at Grove Lane; NW Burnley Growth Corridor	1,436,855			1,436,855	1,436,855	100%	Completed
Padiham Townscape Heritage Initiative	399,873			399,873	-	0%	Pending formal approval from Heritage Lottery Fund
	7,172,455	-	-	7,172,455	2,141,732	30%	

GOVERNANCE, LAW, PROPERTY & REGULATION							
Padiham Town Hall - Flood Works	113,634	262,736		376,370	-	0%	Additional flood resilience works have been agreed as part of the overall refurbishment contract totalling £57,896 - it is hoped that all of the works will be completed by 10th November 2017. A budget adjustment in 2017/18 is required to reflect the latest estimated project cost, which will be funded from the Flood Reserve and Insurance monies.
Leisure Centre Improvements	78,472			78,472	-	0%	
Contribution to Shopping Centre Redevelopment	375,000			375,000	-	0%	The second tranche of £375,000 will only become payable when Primark open for trading. This is anticipated in Spring of next year.
Building Alteration Works	103,107			103,107	-	0%	A tendered price for the replacement of boilers and associated asbestos removal have been obtained for the Parker Lane Offices at £42,123 and the contract will be let shortly.
	670,213	262,736	-	932,949	-	0%	

Scheme Name	Budget as at	Adjustments Per This Report		Revised Budget to be Approved	Total Spend as at 30/06/17	% Schemes Spend	Narrative provided by Project Officers/Heads of Service
	Exec 04/07/17	Budget Adjustments	Reprofiled into Future Years				
	£	£	£	£	£	£	
HOUSING & DEVELOPMENT CONTROL							
Emergency Repairs	68,580			68,580	16,134	24%	7 grants have been approved totalling £18,146.
Disabled Facilities Grant	1,617,271	1,306,041		2,923,312	283,587	10%	A total of £933,018 has been committed with 78 adaptations approved and a further 34 being completed. Officers continue to liaise with Social Services and Occupational Health to ensure those residents that require home adaptations are identified and assisted. The budget allocation from the better Care Fund for 2017/18 is £2,035,442 plus £887,870 carry forward.
Energy Efficiency	50,232	18,645		68,877	11,493	17%	39 grants have been approved totalling £27,355. The Council has also received an additional £18,645 from LCC for the Affordable Warmth project and will increase the budget accordingly. This will allow us to assist more residents through a range of measures to remain warm through the winter months.
Empty Homes Programme	1,039,805			1,039,805	252,919	24%	Currently there are 9 properties that we are attempting to acquire through Compulsory Purchase powers and further properties are planned to come forward as the year progresses. We are on site with 2 renovates and a further 3 will be starting in the coming weeks. Other empty homes are being returned into use through Council involvement and currently we have 20 loan approvals as well as a number of enquiries from Landlords who want to bring their properties back into use.
Interventions, Acquisitions and Demolitions	553,413			553,413	24,043	4%	Contractors are currently on site in Burnley Wood carrying out a further neighbourhood improvement scheme along Branch Road to include painting and general improvements to the front elevations of properties. A portion of this budget will be dedicated to bringing forward brownfield sites for development throughout the year with £250,000 earmarked for the Perseverance Mill development in Padiham.
	3,329,301	1,324,686	-	4,653,987	588,176	13%	
CHIEF EXECUTIVE / CORPORATE INITIATIVES							
Ward Opportunities Fund	168,198	(3,700)		164,498	1,889	1%	The amount of spend on WOF is determined by ward members, who bring forward proposals for how the budget should be spent in their respective wards. £3,700 adjustment for Calder Park Sport & Play Equipment
	168,198	(3,700)	-	164,498	1,889	1%	
LEISURE CLIENT							
Padiham LC - Gym Refurbishment	180,000			180,000	-	0%	The contract has been awarded to Life Fitness. Orders to be placed for equipment in August.
	180,000	-	-	180,000	-	0%	
	13,936,309	1,652,908	-	15,589,217	2,797,837	18%	

2016/17 Cycle 1 9,332,789 705,102 8%

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Scheme Name	Revised Budget £	FINANCING ELEMENTS						Total Revised Budget £
		Prudential Borrowing £	Revenue Cont'n / Reserves £	Capital Grants £	Capital Receipts £	Vacant Property Initiative Receipts £	3rd Party Contribution / Section 106 £	
Green Spaces & Amenities								
Thompson Park Restoration Project	940,176		164,759	755,240			20,177	940,176
Towneley Hall Building Works	100,000				100,000			100,000
Vehicle & Machinery Replacement	88,138		88,138					88,138
Extension of Burnley Cemetery	21,087	21,087						21,087
Towneley Hall Overspill Car Park	38,500				18,500		20,000	38,500
Calder Park Sport & Play Equipment	13,700				3,700		10,000	13,700
Brun Valley Forest Park	10,486						10,486	10,486
	1,212,087	21,087	252,897	755,240	122,200	-	60,663	1,212,087
Streetscene								
River Training Walls	134,183				134,183			134,183
Car Park Improvements	10,000				10,000			10,000
Burnley Town Centre Pedestrianisation Upgrade	578,285	578,285						578,285
Lower St James Street	400,000		400,000					400,000
Alleygate Programme	25,000				25,000			25,000
CCTV Infrastructure	77,773	77,773						77,773
Chewing Gum Removal Machine	40,000		40,000					40,000
Bus Shelter Replacement	8,000				8,000			8,000
	1,273,241	656,058	440,000	-	177,183	-	-	1,273,241
Regeneration & Planning Policy								
University Technical College	22,500			7,275	15,225			22,500
Vision Park	3,304,962	1,918,109	307,000	1,079,853				3,304,962
Weavers Triangle - Starter Homes	386,021			386,021				386,021
Infrastructure & Highways Works	41,608						41,608	41,608
Market Safety Works	1,580,636	1,103,156	477,480					1,580,636
Land at Grove Lane; NW Burnley Growth Corridor	1,436,855		986,855	450,000				1,436,855
Padiham Townscape Heritage Initiative	399,873		36,373	280,100			83,400	399,873
	7,172,455	3,021,265	1,807,708	2,203,249	15,225	-	125,008	7,172,455
Governance, Law, Property & Regulation								
Padiham Town Hall - Flood Works	376,370		132,772				243,598	376,370
Leisure Centre Improvements	78,472	78,472						78,472
Building Alteration Works	103,107		3,107		100,000			103,107
Contribution to Shopping Centre Redevelopment	375,000		375,000					375,000
	932,949	78,472	510,879	-	100,000	-	243,598	932,949
Housing & Development								
Emergency Repairs	68,580					68,580		68,580
Disabled Facilities Grant	2,923,312			2,923,312				2,923,312
Energy Efficiency	68,877					50,232	18,645	68,877
Empty Homes Programme	1,039,805	-				1,039,805		1,039,805
Interventions, Acquisitions and Demolitions	553,413			113,413		440,000		553,413
	4,653,987	-	-	3,036,725	-	1,598,617	18,645	4,653,987
Chief Executive								
Ward Opportunities Fund	164,498				164,498			164,498
	164,498	-	-	-	164,498	-	-	164,498
Leisure Client								
Padiham LC - Gym Refurbishment	180,000	180,000						180,000
	180,000	180,000	-	-	-	-	-	180,000
TOTAL OF ALL SCHEMES	15,589,217	3,956,882	3,011,484	5,995,214	579,106	1,598,617	447,914	15,589,217

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	<u>General Capital Receipts</u> £	<u>Vacant Property Initiatives Receipts</u> £	<u>Section 106 Money</u> £	<u>3rd Party Cont'ns</u> £	<u>Total</u> £
<u>Capital Resources Brought Forward on 1st April 2017</u>	946,363	2,546,690	188,739	95,884	3,777,675
<u>Add</u>					
Resources Received As At 30th June 2017:	9,500	360,275	-	44,945	414,720
Further Resources Estimated to be Received during 2017/18:	300,000	-	-	551,241	851,241
<u>Potential Resources Available during 2017/18</u>	1,255,863	2,906,965	188,739	692,070	5,043,636
<u>Less</u>					
Required to finance Capital Programme	(579,106)	(1,598,617)	-	(447,914)	(2,625,637)
Repayment Liabilities	-	-	-	-	-
Earmarked for Revenue Expenditure	-	-	(53,350)	-	(53,350)
Earmarked for Delivery By Outside Bodies	-	-	(133,044)	-	(133,044)
<u>Potential Capital Resources Carried Forward on 31st March 2018</u>	676,757	1,308,348	2,345	244,156	2,231,605
<u>Add</u>					
Resources Estimated to be Received during 2018-20	800,000	851,652	-	1,004,180	2,655,833
<u>Less</u>					
2018/19 Capital Budget	(393,000)	(1,200,000)	-	(149,773)	(1,742,773)
2019/20 Capital Budget	(393,000)	(960,000)	-	(1,098,563)	(2,451,563)
<u>Total Surplus / (Shortfall) of Resources available for Further Capital Investment Programme needs</u>	690,757	-	2,345	-	693,102

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

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