



Meeting of the Burnley Borough Council

To be held at 6.30 pm on
Wednesday, 20th February, 2019



Sir or Madam,

Notice is given of a MEETING of the COUNCIL of the BOROUGH OF BURNLEY to be held at the TOWN HALL, BURNLEY, on

DATE: Wednesday, 20th February, 2019

starting at 6.30 pm

To transact the business specified below.

**Lukman Patel
Chief Operating Officer**

Members of the public may ask a question, make a statement, or present a petition relating to any matter for which the Council has a responsibility or which affects the Borough.

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

A G E N D A

1. Minutes of the Last Meeting 7 - 18
To receive, as read, the Minutes of the proceedings of the previous Council meeting held on 19th December 2019, and to confirm them or otherwise.
2. Declarations of Interest
To receive any declarations of interest.
3. Mayor's Communications
To receive communications (if any) from His Worship the Mayor.
4. Public Question Time
To receive questions, statements or petitions (if any) from members of the public.
 - a) Notice of Motion-Housing Standards 19 - 28

To consider a Notice of Motion on Housing Standards.

- b) Notice of Motion-Community Skips 29 - 36
To consider a Notice of Motion on Community Skips.
- c) Selective Licensing-Trinity, Queensgate, Gannow, Daneshouse and Stoneyholme 37 - 380
To consider selective licensing consultation in Trinity, Gannow, Queensgate, Daneshouse and Stoneyholme.
- d) Revenue Budget Monitoring 2018/19 Q3 381 - 396
To consider Revenue Budget Monitoring 2018/19 Q3.
- e) Capital Budget Monitoring 2018/19 Q3 397 - 410
To consider Capital Budget Monitoring 2018/19 Q3.
- f) Revenue Budget 2019/20 411 - 430
To consider the Revenue Budget 2019/20.
- g) Medium Term Financial Strategy 2020/21 to 2023/24 Including Reserves Strategy 431 - 460
To consider the Medium Term Financial Strategy 2020/21 to 2023/24 Including Reserves Strategy.
- h) Revenue Budget 2019/20 Statutory Report of the Chief Finance Officer 461 - 468
To consider the Revenue Budget 2019/20 Statutory Report of the Chief Finance Officer.
- i) Capital Budget 2019/20 and Capital Investment Programme 2019/22 469 - 496
To consider the Capital Budget 2019/20 and Capital Investment Programme 2019/22.
- j) Treasury Management Strategy 2019/20 and Prudential Treasury Indicators 497 - 518
To consider the Treasury Management Strategy 2019/20 and Prudential Treasury Indicators.
- k) Council Tax 2019/20
To consider Council Tax 2019/20.

- l) Members Allowance Scheme 2019-22 519 - 532
To consider the Members Allowance Scheme 2019-22.
- m) Strategic Plan 2019 533 - 550
To consider the Strategic Plan 2019.
- n) Annual Pay Policy Statement 2019/20 551 - 620
To consider the Annual Pay Policy Statement 2019/20.
- o) Appointment of Mayor Elect/Deputy Mayor Elect 2019/20 621 - 622
To consider the Appointment of Mayor Elect/Deputy Mayor Elect 2019/20.
- p) Calendar 2019/20 623 - 630
To consider the Calendar 2019/20.
- q) Constitution Updates 631 - 634
To consider a report on Constitution Updates.
6. Report from the Chair of Scrutiny 635 - 636
To consider a Report from the Chair of Scrutiny for Cycle 4.
7. Strategic Plan Progress Reports 637 - 648
To consider Strategic Plan Progress Reports.
8. Questions
To deal with questions (if any) relating to matters not contained in the Minutes before the Council and of which notice in writing has been received in accordance with Standing Order No. 10(2).
Councillor Attendance

Please use the link below to access Councillor attendance records. You can refine your search by time or by committee.

<http://burnley.moderngov.co.uk/mgUserAttendanceSummary.aspx>

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FULL COUNCIL

BURNLEY TOWN HALL

Wednesday, 19th December, 2018 at 6.30 pm

PRESENT

MEMBERS

His Worshipful The Mayor Cllr Charlie Briggs in the Chair;

Councillors C Briggs (Chair), A Kelly (Vice-Chair), A Anwar, G Birtwistle, B Brindle, M Brindle, P Campbell, F Cant, I Carmichael, S Chaudhary, T Commis, D Ferrier, A Fewings, B Foster, S Graham, J Greenwood, J Harbour, A Hosker, S Hussain, M Ishtiaq, M Johnstone, A Khan, L Khan, S Khan, G Lishman, M Lishman, T Martin, E Monk, N Mottershead, A Newhouse, L Pate, M Payne, A Raja, P Reynolds, D Roper, J Sumner, A Tatchell, C Towneley, M Townsend and C White

OFFICERS

Mick Cartledge	Chief Executive
Lukman Patel	Chief Operating Officer
Asad Mushtaq	Head of Finance and Property
Kate Ingram	Strategic Head of Economy and Growth
Catherine Waudby	Head of Legal and Democratic Services
Howard Hamilton-Smith	Finance Manager
Chris Gay	Governance Manager
Eric Dickinson	Democracy Officer
Imelda Grady	Democracy Officer
Alison McEwan	Democracy Officer
David Farrar	Mayor's Officer

33. Minutes of the Last Meeting

RESOLVED The Minutes of the meeting of the Council held on 26th September 2018 were confirmed and signed by the Chair.

34. Declarations of Interest

Cllr Andy Fewings declared a disclosable pecuniary interest in Item 5b – On-street Parking Charges in Burnley & Padiham.

Cllrs John Harbour, Anne Kelly, Maggie Lishman, Tony Martin, Lian Pate, Andy Tatchell and Cosima Towneley disclosed an Other interest (prejudicial) in Item 6c – Aspiration Strategy.

Cllr Cosima Towneley disclosed an Other interest (personal) in Item 6c – Aspiration Strategy.

Cllr Andy Fewings declared a disclosable pecuniary interest in Item 6j – Food (Official) Controls Delivery Plan.

35. Public Question Time

Clare Hales addressed the Council under the Request to Speak Policy on issues around M65 Junction 9.

36. Notice of Motion-Improved Energy Efficiency

It was moved by Cllr Andy Fewings and seconded by Cllr Gordon Birtwistle that;

“This Council notes:

- The Government’s most recent figures[1] for Burnley show that more than 15%, or nearly 6000 of Burnley’s households are in fuel poverty;
- The loss of income to the local economy as a result of these lower energy efficiency standards, as those 6000 householders’ income is spent paying energy bills rather than in local shops and on local services;
- Whilst the Government cancelled the introduction of Zero Carbon Home Standards in 2016, it has recently confirmed that the Council can set their own energy efficiency standards for new buildings beyond those set in Part L of the Building Regulations[2]; and
- The report from the Intergovernmental Panel on Climate Change highlighting that we only have around 12 years to take serious action to reduce emissions to avoid massive damage to the global environment.[3]

This Council believes:

- That we must take urgent action to improve the energy efficiency standards in new buildings in order to i) tackle the issue of fuel poverty in the borough, ii) reduce carbon emissions, iii) save energy and iv) keep money that would go to energy companies circulating in our local economy;
- That improving energy efficiency in new buildings and retrofitting old buildings are just part of a strategy to reduce emissions in our area but they are important steps to take that should be part of a wider strategy; and

- That the internationally recognised ‘Passivhaus Standard’ offers an alternative to the UK’s diminished energy efficiency ambitions for new-build housing and complies with UK Building Regulations.

This Council resolves:

- To specify Passivhaus Standards for all buildings on Council-owned land or as a condition of sale on any council land.
- To renovate all houses which are acquired under Compulsory Purchase Order by the Council as energy efficient as possible and having regard to the Passivhaus Standards where possible;
- To produce Supplementary Planning Guidance at the earliest opportunity calling for higher energy efficiency standards compliant with the internationally recognised Passivhaus Zero Carbon Standards; and
- To develop a strategy showing how we can reduce emissions in the Borough and play our part in achieving the Paris Climate Goals.

[1]https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/731183/Fuel_poverty_sub-regional_tables_2018.xlsx

[2] <https://www.ukgbc.org/news/government-confirms-local-authorities-can-set-energy-standards-beyond-part-i-in-nppf/>

[3] <https://www.theguardian.com/environment/2018/oct/08/global-warming-must-not-exceed-15c-warns-landmark-un-report>

In accordance with Council Procedure Rule 12 - Motions on Expenditure – as this item would have the effect of materially increasing the expenditure of the Council the motion was referred to the Executive to consider and report back to a future meeting of Full Council.

37. Notice of Motion-On-street Parking Charges in Burnley & Padiham

Cllr Andy Fewings left the room and did not take part in this item.

It was moved by Cllr Lian Pate and seconded by Cllr Mark Townsend that;

“This council resolves to write to Lancashire County Council to urge that the proposal in their budget for 19/20 to introduce on street car parking charges in Burnley and Padiham be

abandoned. We, the council, believe this is a regressive move for high street shops and other businesses in Burnley and Padiham town centres that will drive customers away. The changes in the retail sector especially mean we need to be innovative in our approach in supporting our high street and this goes against that.”

An amendment was moved by Cllr Andrew Newhouse and seconded by Cllr Dale Ferrier that;

“This council resolves to write to Lancashire County Council to urge that **any proposals to their budget for 19/20 to introduce on street car parking charges in Burnley and Padiham, if any, after the consultation period** be abandoned.

We, Burnley Council believe this is a regressive move for our high street and shops and other businesses in Burnley and Padiham town centres. That will drive customers away. The changes in the retail sector especially mean we need to be innovative in our approach in supporting our high street and this we believe goes against that.

We therefore ask if we can work closely with Lancashire County Council through the consultation and any policy making process. This will help both sides understand what policies the Lancashire County Council might be looking to apply to Burnley and Padiham.

Working together to build a parking solution to match both Lancashire County Council and Burnley Council needs at this time and in the future.”

On being put to the vote, the amendment was declared to be lost.

On being put to the vote the motion was declared to be carried and it was resolved accordingly.

In accordance with Council Procedure Rule 16.4 it was requisitioned that the names be recorded to indicate how each Member present gave his or her vote.

On-street Parking Charges in Burnley & Padiham (Motion)	
Councillor Charlie Briggs	For
Councillor Anne Kelly	For
Councillor Afrasiab Anwar	For
Councillor Gordon Birtwistle	For
Councillor Bill Brindle	For
Councillor Margaret Brindle	For
Councillor Paul Campbell	For
Councillor Frank Cant	For
Councillor Ida Carmichael	For
Councillor Saeed Chaudhary	For
Councillor Tom Commis	For
Councillor Dale Ferrier	Abstain
Councillor Andy Fewings	Conflict Of Interests
Councillor Beatrice Foster	For
Councillor Sue Graham	For

Councillor Joanne Greenwood	For
Councillor John Harbour	For
Councillor Alan Hosker	For
Councillor Shah Hussain	For
Councillor Mohammed Ishtiaq	For
Councillor Marcus Johnstone	For
Councillor Arif Khan	For
Councillor Lubna Khan	For
Councillor Shbana Khan	For
Councillor Gordon Lishman	For
Councillor Margaret Lishman	For
Councillor Tony Martin	For
Councillor Elizabeth Monk	For
Councillor Neil Mottershead	For
Councillor Andrew Newhouse	Abstain
Councillor Lian Pate	For
Councillor Mark Payne	For
Councillor Asif Raja	For
Councillor Paul Reynolds	For
Councillor David Roper	For
Councillor Jeff Sumner	For
Councillor Andrew Tatchell	For
Councillor Cosima Towneley	Abstain
Councillor Mark Townsend	For
Councillor Christine White	For
Carried	

38. Notice of Motion-Community Skips

It was moved by Cllr Tom Commis and seconded by Cllr Alan Hosker that;

“This Council reintroduces a Community Skips scheme”.

In accordance with Council Procedure Rule 12 - Motions on Expenditure – as this item would have the effect of materially increasing the expenditure of the Council the motion was referred to the Executive to consider and report back to a future meeting of Full Council.

39. Report of the Independent Remuneration Panel on the Members Allowance Scheme

Mrs Anne Slater presented the report of the Independent Remuneration Panel.

Consideration was given to the findings of the Independent Remuneration Panel in respect of a members allowance scheme from 1st April 2019.

RESOLVED That the findings of the Independent Remuneration Panel be noted.

40. Decision of Hearing Panel

Cllr Anne Kelly presented the findings of the Hearings Panel.

She also reported that Members of the Hearing Panel and the Council's Independent Person found that during the hearing Cllr Hosker was disrespectful to both Officers and Panel Members and showed a complete disregard for the Hearing Process which was not the standard of behaviour to be expected of a serving member of the Council, and that this should be reported to the Full Council.

RESOLVED That the findings of the hearings panel be noted.

41. Aspiration Strategy Delivery Plan

Cllrs John Harbour, Anne Kelly, Maggie Lishman, Tony Martin, Lian Pate, Andy Tatchell and Cosima Towneley left the room and did not take part in this item.

With reference to Minute 48 of the Executive (7th November 2018) consideration was given to the Aspiration Strategy Delivery Plan.

RESOLVED

That approval be given to a contribution of £23.5k from the Growth Reserve as set out in paragraph 13 of the report as amended.

42. Revenue Monitoring 2018/19 Quarter 2

With reference to Minute 50 of the Executive (7th November 2018) consideration was given to the forecast outturn position for the year as at 31st March 2018 based upon actual spending and income to 30th September 2018.

RESOLVED

- (1) That approval be given to the latest revised budget of £15.090m; and
- (2) That approval be given to net transfers to reserves of £0.022m as shown in Appendix 3.

43. Capital Monitoring 2018/19 Quarter 2

With reference to Minute 51 of the Executive (7th November 2018) consideration was given to a revised capital budget.

RESOLVED

- (1) That approval be given to net budget changes totalling a decrease of £1,574, 244 giving a revised capital budget for 2018/19 totalling £10,106,544 as detailed in Appendix 1;and
- (2) That approval be given to the proposed financing of the revised capital budget totalling £10,326,544 as shown in Appendix 2;

44. Fees & Charges Tariff 2019/20

With reference to Minute 60 of the Executive (28th November 2018) consideration was given to the proposed list of fees and charges to be levied from 1st January 2019.

RESOLVED

- (1) The proposed tariff of fees & charges from 1 January 2019 be approved with an increase of 3% as outlined in Appendix A attached;
- (2) That the Head of Finance and Property be authorised, in consultation with the relevant Head of Service, to determine any new charges or changes to existing charges relating to the preparation and approval of the 2019/20 revenue budget;
- (3) That the Executive Portfolio Members be authorised to amend fees & charges periodically in their own area on the basis that overall income in their portfolio area remains the same as a minimum;
- (4) That the Strategic Head of Economy and Growth be authorised, in consultation with the Executive Member for Resources and Performance Management and the Head of Finance and Property, to adjust fees and charges in relation to the Markets service from time to time to reflect current trading conditions and the overall position of the market; and
- (5) That the Head of Housing and Development Control be authorised, in consultation with the Executive Member for Resources and Performance Management and the Head of Finance and Property, to adjust fees and charges in relation to statutory planning fees should Parliamentary confirmation be received.

45. Treasury Management Mid-Year Report 2018/19

With reference to Minute 61 of the Executive (28th November 2018) consideration was given to the treasury management activity for the period 1st April to 30th September 2018.

RESOLVED

That the mid-year update on Treasury Management Strategy for 2018/19 be endorsed in compliance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management.

46. Gambling Act 2005 Policy 2019-21

With reference to Minute 12 of the Licensing Committee (24th October 2018) and Minute 71 of the Executive (11th December 2018) consideration was given to a revised Gambling Act 2005 Policy covering the period 3rd January 2019 to 31st December 2021 as required by legislation.

RESOLVED

That approval be given to the draft Statement of Principles for the Gambling Act 2005 Policy covering the period 3rd January 2019 to 31st December 2021, as amended by 24th October 2018 Licensing Committee.

47. Health & Safety Intervention Plan 2018/19

With reference to Minute 70 of the Executive (11th December 2018) consideration was given to the Health & Safety Plan necessary to meet statutory requirements.

RESOLVED

That approval be given to the Health & Safety Intervention Plan (Reviewed 2018/19) as detailed in Appendix 1.

48. Food (Official) Controls Delivery Plan 2018/19

With reference to Minute 69 of the Executive (11th December 2018), consideration was given to the Food (Official Controls) Delivery Plan necessary to meet statutory requirements.

RESOLVED

That approval be given to the Food (Official Controls) Delivery Plan (reviewed 2018/19).

49. Constitutional Update

Consideration was given to minor amendments made to the Constitution's Part 3 Scheme of Delegation by the Monitoring Office, and changes made to Part 3 (Executive Functions) Scheme of Delegation by the Leader or Deputy Leader.

RESOLVED

- (1) That the minor amendments to Part 3 Scheme of Delegation made by the Monitoring Officer relating to CPOs, animal welfare and Empty Homes as set out in Paragraph 6 be noted; and
- (2) That changes made to Part 3 (Executive Functions) Scheme of Delegation by the Leader or Deputy Leader relating to new Regulation for Houses in Multiple Occupation as set out in paragraph 7 be noted.

50. Outside Bodies Appointments 2018/19

Consideration was given to the addition of the Housing Joint Venture (Strategic Board) to the Council's Outside Bodies for 2018/19.

RESOLVED

That approval be given to the addition of the Housing Joint Venture (Strategic Board) to the Council's Outside Bodies for 2018/19, and that the appointments be delegated to the Executive as set out in paragraph 6.

51. Cycle 3 Report from the Chair of Scrutiny

RESOLVED That the Cycle 3 report of the Scrutiny Chair be noted.

52. Strategic Plan Progress Reports

RESOLVED That the Strategic Plan Progress Reports of Executive Members be noted.

53. Exclusion of the Public

RESOLVED

That the public be excluded from the meeting before discussion takes place on the following items of business relating to Minutes 54 to 56 on the grounds that 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 relating to the financial or business affairs of any particular person (including the authority holding that information).

54. On the Banks Development (Sandygate)

With reference to Minute 64 of the Executive (28th November 2018) consideration was given to the 'On the Banks' Development and its inclusion in the capital programme.

RESOLVED

- (1) That Full Council be recommended to approve the funding of the development as detailed in this report;
- (2) That Full Council be recommended that the project is included in the capital programme, as set out in Appendix 7; and
- (3) That Full Council be recommended to approve the use of funds from reserves to cover projected budget deficits in years 1, 2 and 3 as set out in paragraph 43 of the report (as reformatted);

55. Pioneer Place Development (Curzon Street)

With regard to Minute 65 of the Executive (28th November 2018) consideration was given to the Pioneer Place Development and its inclusion in the capital programme.

RESOLVED

- (1) That approval be given to the funding of the development, including the acceptance of grant funding from Lancashire County Council, as detailed in the Financial Implications Section of the report; and
- (2) That the project be included in the capital programme, as set out in the Financial Implications Section of the report.

In accordance with Council Procedure Rule 16.4 it was requisitioned that the names be recorded to indicate how each Member present gave his or her vote.

Pioneer Place Development (Curzon Street) (Resolution)	
Councillor Charlie Briggs	For
Councillor Anne Kelly	For
Councillor Afrasiab Anwar	For
Councillor Gordon Birtwistle	For
Councillor Bill Brindle	For
Councillor Margaret Brindle	For
Councillor Paul Campbell	For
Councillor Frank Cant	For
Councillor Ida Carmichael	For
Councillor Saeed Chaudhary	For
Councillor Tom Commis	Against
Councillor Dale Ferrier	For
Councillor Andy Fewings	For
Councillor Beatrice Foster	For
Councillor Sue Graham	For
Councillor Joanne Greenwood	For
Councillor John Harbour	For

Councillor Alan Hosker	For
Councillor Shah Hussain	For
Councillor Mohammed Ishtiaq	No vote recorded-absent
Councillor Marcus Johnstone	For
Councillor Arif Khan	For
Councillor Lubna Khan	No vote recorded-absent
Councillor Shbana Khan	For
Councillor Gordon Lishman	For
Councillor Margaret Lishman	For
Councillor Tony Martin	For
Councillor Elizabeth Monk	For
Councillor Neil Mottershead	For
Councillor Andrew Newhouse	For
Councillor Lian Pate	For
Councillor Mark Payne	For
Councillor Asif Raja	For
Councillor Paul Reynolds	For
Councillor David Roper	For
Councillor Jeff Sumner	For
Councillor Andrew Tatchell	For
Councillor Cosima Towneley	For
Councillor Mark Townsend	For
Councillor Christine White	For
Carried	

56. Financing of Gym Equipment and Refurbishment - St Peters Leisure Centre

With reference to Minute 74 of the Executive (11th December 2018) consideration was given to the establishment of a new budget for new equipment and refurbishment at St Peters Centre.

RESOLVED

That the establishment of a new budget of £220,000 in the 2018/19 capital programme be approved for the refurbishment and replacement of equipment at St Peters Centre.

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EXECUTIVE

BURNLEY TOWN HALL

Monday, 11th February, 2019 at 6.30 pm

80. Notice of Motion-Housing Standards

Purpose.

To respond to the motion raised at Full Council on the 19th December 2018 (Appendix 1) regarding the Council's policy and approach to energy efficiency, fuel poverty and climate change.

Reason For Decision.

To protect the Council's financial position and avoid any consequences that could affect the Council's ability to deliver housing growth and housing regeneration programmes.

The Local Plan was adopted in July 2018 following extensive consultation and a public enquiry. It is not now possible to introduce new policy requirements.

The Council has sufficient effective policies and strategies to ensure that it plays a strong role in tackling climate change, promoting energy efficiency and reducing fuel poverty.

Decision.

That Full Council be recommended that the proposals set out in the motion not be adopted due to potential financial implications for the Council and on account that the Local Plan was adopted in July 2018.

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Climate Change and Energy Efficiency

REPORT TO THE EXECUTIVE



DATE	11th February 2019
PORTFOLIO	Housing and Leisure
REPORT AUTHOR	Paul Gatrell
TEL NO	01282 477320
EMAIL	pgatrell@burnley.gov.uk

PURPOSE

1. To respond to the motion raised at Full Council on the 19th December 2018 (Appendix 1) regarding the Council's policy and approach to energy efficiency, fuel poverty and climate change.

RECOMMENDATION

2. That the Executive does not adopt the proposals set out in the motion due to potential financial implications for the Council and on account that the Local Plan was adopted in July 2018.

REASONS FOR RECOMMENDATION

3. To protect the Council's financial position and avoid any consequences that could affect the Council's ability to deliver housing growth and housing regeneration programmes.
4. The Local Plan was adopted in July 2018 following extensive consultation and a public enquiry. It is not now possible to introduce new policy requirements.
5. The Council has sufficient effective policies and strategies to ensure that it plays a strong role in tackling climate change, promoting energy efficiency and reducing fuel poverty.

SUMMARY OF KEY POINTS

Introduction:

6. The motion raised a Full Council on the 19th December 2018 requested that the Council resolves;
7. To specify Passivhaus Standards for all buildings on Council owned land or as a condition of sale on Council owned land;

Passivhaus standard is an internationally recognised low energy design standard that

aims to significantly improve comfort and indoor air quality whilst reducing heating bills within buildings. The standard can be applied to new buildings and existing buildings where retro-fit is an option. The Passivhaus Institute define a passivhaus as “...a building in which thermal comfort can be achieved solely by post-heating or post-cooling the fresh air flow required for a good indoor air quality, without the need for additional recirculation of air.” There are examples across the UK of Passivhaus Standards being used in social and private housing, schools, offices and community buildings.

8. To renovate all houses which are acquired under Compulsory Purchase Order by the Council as energy efficient as possible and having regard to Passivhaus Standards where possible;
9. To produce Supplementary Planning Guidance at the earliest opportunity calling for higher energy efficiency standards compliant with the internationally recognised Passivhaus Zero Carbon Standard; and
10. To develop a strategy showing how we can reduce emissions in the Borough and play our part in achieving the Paris Climate Goal.

Assessment

To specify Passivhaus Standards for all buildings on Council owned land or as a condition of sale on Council owned land

11. To impose such a condition on buildings on Council owned land would be likely to result in very significant adaptation and renovation costs to existing buildings. These costs would be beyond what the Council is able to commit to works to improve energy efficiency in its buildings.
12. The Council is committed to improving the energy efficiency of its buildings and reducing its carbon footprint. In recent years we have upgraded insulation in Council buildings, installed energy efficient lighting systems operated by motion sensors, replaced boilers with modern energy efficient systems and continue to rationalise our use of buildings to ensure the most efficient use of our assets.
13. To introduce restrictions, covenants or building standards on Council owned land that are over and above current market requirements would be likely to deter potential purchasers and developers, devaluing the land and potentially rendering it undevelopable. This would affect the Council's ability to facilitate housing growth and deliver quality housing to help create a balanced housing market.

To renovate all houses which are acquired under Compulsory Purchase Order by the Council as energy efficient as possible and having regard to Passivhaus Standards where possible

14. Each year the Council aims to acquire 20 properties under the Empty Homes Programme that are renovated and returned in to use. The proceeds from each sale is recycled back in to the programme to allow the Council to purchase further properties and sustain the programme from existing capital resources.
15. Whilst we do not currently work to Passivhaus standards we do greatly improve the energy efficiency in the properties we renovate. Wherever possible we specify higher insulation standards than those currently accepted in the industry for loft insulation

and dry-lining the external walls using insulated plasterboard. We also specify A rated gas central heating boilers with a minimum 5 year guarantee.

16. The Council do not receive any external funding to deliver its Empty Homes Programme and in order to sustain the programme the proceeds from the sale of a property needs to be closely aligned to the cost of its purchase and renovation. The Council are proud of the quality of our renovations and drive efficiencies by paying close attention to the renovation cost. Whilst the homes are renovated to a high standard with good thermal properties the works are tightly controlled in order to make the properties viable and the programme financially sustainable.

To produce Supplementary Planning Guidance at the earliest opportunity calling for higher energy efficiency standards compliant with the internationally recognised Passivhaus Zero Carbon Standard

17. The Council's Local Plan was adopted in July 2018 and covers the whole borough up to 2032. Supplementary planning documents cannot be used to introduce new policy requirements within a Council's policy framework and can only be used to build upon and provide more detailed advice and guidance on the application policies within the existing Local Plan. Passivhaus is not a policy requirement in the current Local Plan and therefore it is not possible to introduce this as a requirement in a supplementary planning document.

18. The issues of fuel poverty and climate change are identified as "Key Issues and Challenges" in the Spatial Potraits of Burnley's Local Plan which refers to "Addressing poor quality housing and reducing fuel poverty" (p.12) and "Reducing carbon dioxide and other polluting emissions whilst meeting development needs and demands" (p.23). These matters are also reflected in the Plans Objectives in particular Objective 1: Delivering Sustainable Growth "To minimise the adverse impacts of climate change to support growth the meet the need for jobs, homes and services in the context of moving towards a low carbon economy and stemming population decline. Growth will be managed so that its takes place in the most appropriate locations, promotes the re-use of previously- developed land and buildings, energy efficiency and sustainable design; and encourages the use of decentralised and renewable or low carbon energy sources" (pg.29).

19. The Local Plan addresses climate change with a number of policies that seek to reduce emissions by supporting renewable energy and reducing pollutants. These policies include CC1: Renewable Energy and Low Carbon Energy, CC2: Suitable Areas for Wind Energy Development, CC3: Wind Energy Development, NE5: Environmental Protection, IC1: Sustainable Travel, IC2: Managing Transport and Travel Impacts and IC3: Car Parking Standards. These policies are considered and applied to all developments where appropriate across the borough.

To develop a strategy showing how we can reduce emissions in the Borough and play our part in achieving the Paris Climate Goals

20. As set out in the above paragraphs the borough's Local Plan has embedded within it a commitment to tackle climate change and this documents governs land use and development across the borough in its entirety. The Council have developed over the years a strong commitment to promoting energy efficiency, tackling fuel poverty and addressing climate change. The Strategic Plan 2019/20 states, "the Council has an

obligation as a community leader to play a part in reducing harmful carbon emissions and responding to climate change” and this recognition feeds in to our corporate priorities to promote a clean, green and safer borough.

21. The Council’s Housing Strategy has a key priority to “Tackle Energy Efficiency and Reduce Fuel Poverty” and the Housing Service has a long history of developing and delivering programmes to achieve this. The Council undertake a large portion of this work in partnership with other Lancashire authorities through the Cosy Homes in Lancashire partnership (CHiL). Its primary aim is to install energy efficiency measures and heating improvements in domestic dwellings utilising funding secured through Energy Company Obligations. The Local Authorities work together to maximise the number of installations to improve the thermal efficiency of Lancashire homes, especially for the benefit of customers experiencing fuel poverty and/or with cold-related health issues. The CHiL project gained an Ashden Award for Sustainable Homes in 2016.

22. In addition to the Countywide programme the Council also deliver an in-house energy efficiency scheme that comprises of;

Heating Rebate Scheme where the Council offer a rebate to residents of the borough who are replacing their boiler with an A rated energy efficient boiler. The scheme is targeted at owner occupiers especially those who are 60 or over and;

Warm at Winter/Affordable Warmth that aims to reduce levels of death and illness over the winter months and to improve people's wellbeing. Through this scheme we also hope to see a reduction in hospital admissions and in demand for health and social care services.

The Council’s private sector improvement programme also aims to drive up energy efficiency through the Selective Licensing Scheme, Landlord Accreditation and Private Sector Enforcement where landlords are required to provide minimum standards of thermal comfort in the private rented sector.

23. Through the Corporate Strategic Plan, Local Plan and Housing Strategy the Council have a sound strategic framework for addressing climate change, energy efficiency and fuel poverty all underpinned by effective action. We also have a strong and effective partnership with Lancashire Local Authorities through the CHiL project and are partners in the The Lancashire Climate Change Strategy which sets out the long term vision that: “Lancashire is low carbon and well adapted by 2020 with a target to reduce carbon dioxide emissions by at least 34% (relative to 1990) by that time”

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

24. Whilst it is not possible to quantify with any certainty the financial implications associated with the adoption of the motion as presented to Full Council on 19th December 2019 it is highly likely there would be significant costs. There is also a risk that these costs would impact on the Council’s ability to develop land in its ownership and sustain the delivery of its empty homes programme in the long term.

25. The financial implications are considered significant and the risks to the delivery of key strategic projects high and for these reasons the recommendation is proposed.

POLICY IMPLICATIONS

26. None.

DETAILS OF CONSULTATION

27. None.

BACKGROUND PAPERS

28. None.

FURTHER INFORMATION

PLEASE CONTACT: Paul Gatrell 01282 477230

ALSO:

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Cllr Andy Fewings will move:

“This Council notes:

- The Government’s most recent figures[1] for Burnley show that more than 15%, or nearly 6000 of Burnley’s households are in fuel poverty;
- The loss of income to the local economy as a result of these lower energy efficiency standards, as those 6000 householders’ income is spent paying energy bills rather than in local shops and on local services;
- Whilst the Government cancelled the introduction of Zero Carbon Home Standards in 2016, it has recently confirmed that the Council can set their own energy efficiency standards for new buildings beyond those set in Part L of the Building Regulations[2]; and
- The report from the Intergovernmental Panel on Climate Change highlighting that we only have around 12 years to take serious action to reduce emissions to avoid massive damage to the global environment.[3]

This Council believes:

- That we must take urgent action to improve the energy efficiency standards in new buildings in order to i) tackle the issue of fuel poverty in the borough, ii) reduce carbon emissions, iii) save energy and iv) keep money that would go to energy companies circulating in our local economy;
- That improving energy efficiency in new buildings and retrofitting old buildings are just part of a strategy to reduce emissions in our area but they are important steps to take that should be part of a wider strategy; and
- That the internationally recognised ‘Passivhaus Standard’ offers an alternative to the UK’s diminished energy efficiency ambitions for new-build housing and complies with UK Building Regulations.

This Council resolves:

- To specify Passivhaus Standards for all buildings on Council-owned land or as a condition of sale on any council land.
- To renovate all houses which are acquired under Compulsory Purchase Order by the Council as energy efficient as possible and having regard to the Passivhaus Standards where possible;

- To produce Supplementary Planning Guidance at the earliest opportunity calling for higher energy efficiency standards compliant with the internationally recognised Passivhaus Zero Carbon Standards; and
- To develop a strategy showing how we can reduce emissions in the Borough and play our part in achieving the Paris Climate Goals.

[1]https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/731183/Fuel_pove_rty_sub-regional_tables_2018.xlsx

[2] <https://www.ukgbc.org/news/government-confirms-local-authorities-can-set-energy-standards-beyond-part-l-in-nppf/>

[3] <https://www.theguardian.com/environment/2018/oct/08/global-warming-must-not-exceed-15c-warns-landmark-un-report>



EXECUTIVE

BURNLEY TOWN HALL

Monday, 11th February, 2019 at 6.30 pm

81. Notice of Motion-Community Skips

Purpose.

To respond to the motion raised at Full Council on the 19th December 2018 by Cllr Commis proposing that “This Council reintroduces a Community Skips scheme.”

Reason For Decision.

Any re-establishment of a Council operated scheme will require additional budgetary allocation for skip provision, back office administration, dedicated and fully trained deployed Officer(s) and insurance liabilities to meet the requirements of the Council’s insurers and the waste disposal authority.

Associated operational costs to deliver a community skip scheme have increased significantly, rendering the motion to reinstate cost prohibitive.

There is no local evidence to support a business case for the re-establishment of the provision of skips that will require increased investment at current costs. There is no evidence to support that the provision of community skips increases resident participation in household recycling or reduces fly tipping.

The borough’s recorded incidents of fly tipping have shown an annual decrease since the withdrawal of the scheme.

Alternative operational targeted ward initiatives and patch management working by Housing and Streetscene Officers in conjunction with residents have yielded better outcomes.

Decision.

(1) That Full Council be recommended that the community skip scheme not be reinstated on the basis of the increased financial costs , which is currently not budgeted for, and operational risk implications for the Council; and

(2) That the Council strengthens its existing targeted ward interventions, within existing officer and operational budget resources, to deliver alternative additional environmental activities to wards and residents that require additional support with recycling and household waste collections. This approach will co-ordinate events and activities that aim to respond to local priorities and will align with existing Urbaser resources and existing third sector organisations to remove and upcycle reusable/unwanted household items.

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COMMUNITY SKIPS

REPORT TO THE EXECUTIVE



DATE	11th February 2019
PORTFOLIO	Community Services
REPORT AUTHOR	Joanne Swift
TEL NO	01282 477301
EMAIL	jswift@burnley.gov.uk

PURPOSE

1. To respond to the motion raised at Full Council on the 19th December 2018 by Cllr Commis proposing that “This Council reintroduces a Community Skips scheme.”

RECOMMENDATION

2. The Executive is recommended not to reinstate the community skip scheme on the basis of the increased financial costs , which is currently not budgeted for, and operational risk implications for the Council.
3. It is recommended that the Council strengthens its existing targeted ward interventions, within existing officer and operational budget resources, to deliver alternative additional environmental activities to wards and residents that require additional support with recycling and household waste collections. This approach will co-ordinate events and activities that aim to respond to local priorities and will align with existing Urbaser resources and existing third sector organisations to remove and upcycle re-usable/unwanted household items.

REASONS FOR RECOMMENDATION

4. Any re-establishment of a Council operated scheme will require additional budgetary allocation for skip provision, back office administration, dedicated and fully trained deployed Officer(s) and insurance liabilities to meet the requirements of the Council’s insurers and the waste disposal authority.
5. Associated operational costs to deliver a community skip scheme have increased significantly, rendering the motion to reinstate cost prohibitive.
6. There is no local evidence to support a business case for the re-establishment of the provision of skips that will require increased investment at current costs. There is no evidence to support that the provision of community skips increases resident participation in household recycling or reduces fly tipping.
7. The borough’s recorded incidents of fly tipping have shown an annual decrease since the withdrawal of the scheme.
8. Alternative operational targeted ward initiatives and patch management working by Housing and Streetscene Officers in conjunction with residents have yielded better outcomes.

SUMMARY OF KEY POINTS

Background:

9. The Council operated a community skip scheme from 1998 via Streetscene's operational duties and budgets. There is no statutory requirement to provide community skips. The Council initially introduced and maintained the scheme to help disadvantaged / vulnerable residents to dispose of bulky waste and to provide assistance to residents in the borough. However, in later years of the scheme's operation, there became less evidence that the community skip service was meeting its intended objectives. Low collection tonnage, increased administrative requirements of back office resources and the increasing abuse of community skips for the disposal of hazardous / non household recycle all impacted the scheme's intended performance effectiveness. During the life of the scheme Lancashire County Council, as the disposal authority issued a formal notice for the continued incidents of contamination of controlled hazardous waste in Burnley's Community Skips.

Key Events and Factors:

10. In August 2015, the Council were notified by the skip provider that there had been a significant fire at the facility. Widespread damage had occurred and it was alleged that the fire had emanated from a Council operated skip. Whilst the investigation and case has subsequently been concluded with no liability being placed on the Council, the immediate suspension and review of the scheme, ultimately led to the Council looking to deliver community recycling engagement via different mechanisms. In March 2017 the Council's Executive approved the Needs Led Community Clean Up Education Initiative and the community skip scheme was dis-established.
11. During 2017/18 the Needs Led Community Clean Up Education Initiative, delivered 5 targeted ward initiatives across the borough that aimed at addressing ward priorities. These activities were resourced by a £30k 'One Off budget allocation (approved by Full Council in September 2017) along with £13k residual operational community skip budget. The delivered initiative activities included; additional cleansing, support of volunteering activities and community litter picks, enforcement action where appropriate, the issuing of recycling equipment, affixing house numbers to rear gates and bins, offering advice/guidance and sign-posting to residents, increasing Kingdom's presence in the area and housing inspections. In addition, 59 properties across the borough were fitted with steel gates in areas with reports of persistent fly-tipping. Monitoring of these gates has shown the initiative was successful with no reports of fly-tipping in the yards of the properties fitted with gates. Feedback from Councillors and residents following these interventions was also very positive.
12. Prior to the dis-establishment of the scheme and during the suspension period, options for its continuation were considered but the delivery of a viable scheme within existing resources was identified as being cost and operationally prohibitive. The following has been identified and remain pertinent in any decision to re-establish the scheme;

- The dedicated post with responsibility for the operational delivery of the scheme was deleted from the establishment as part of the Council's previously required budget savings proposals. As such, and due to other corporate priorities, there is currently no staff resource provision to facilitate the delivery of the scheme.
- In addition, a review of the scheme post-fire recommended that any future skip deployment in the community would require an additional resource for each skip deployment to be overseen by trained officers. This is currently no provision within the Council for this and as such this would be an increased / currently unmet cost.
- Recent preliminary discussions with the Disposal Authority have reinforced the point above and have indicated that further disposal costs and requirements could be associated with the re-introduction of the scheme.

13. The figures below show that since the withdrawal of the community skip service fly tipping incidents have actually decreased.

Fly Tipping incidents by year	
Skip Service In Operation	April 2014 to March 2015 = 4663
	April 2015 to March 2016 = 5962
Skip Service not in Operation	April 2016 to March 2017 = 3101
	April 2017 to March 2018 = 2660

14. The activities outlined in Para.10 have shaped the existing environmental ward priority work of both Streetscene and Selective Licensing Officers within existing resources and work undertaken in conjunction with the community, Urbaser and Kingdom Environmental Services. This work continues to deliver positive outcomes in tackling fly tipping and resident re-cycling engagement than were previously obtained by the operation of the community skip scheme. The targeting of areas with promotional and engagement activity to offer assistance and equipment and the flexible use of partner resources continues to be maintained. In addition and when required, the work is supported by enforcement activity. A key development has been the use of strengthened anti-social behaviour powers for environmental and fly tipping incidents that were not in force at the time of the operation of the community skip scheme.

15. In December 2018, the Government published its Waste Strategy (*Resources and Waste Strategy for England*) and whilst it is currently too early to fully comprehend its implications for Lancashire or at the local level, it is clear that further focus will be given in the short / medium term on growing the recycling and re-use agenda in addressing the existing 'throwaway' societal trend. The Strategy highlights that further follow up national consultations will be rolled out across 2019 and as such, it is anticipated that further information will be provided. However, it is suggested that the community skip scheme reinforces the disposal via landfill of potentially recyclable materials that the current

Strategy is trying to move away from.

16. Lancashire County Council as the disposal authority have confirmed their position, should a future community scheme be introduced by a collection authority. Lancashire County Council have confirmed that they would not cover disposal costs relating to the operation of a community skip scheme unless recyclable materials were separated at each location into the different recycling streams (at least three separate skips per deployment) at source and a Burnley Council Officer was on site throughout and for every deployment to prevent contamination.
17. As an alternative approach to the community skip scheme, it is recommended that the Council builds on its existing environmental approach. Frontline Officers as part of their existing roles will co-ordinate targeted ward events. As part of these planned ward days, it is the intention to provide and align existing waste and cleansing caged vehicle resource to offer a free bulky collection removal to help disadvantaged / vulnerable residents (as the original intended target beneficiaries of the community skip scheme) across the borough. Wherever possible and within local third sector operating parameters, the Council will aim to maximise the re-use opportunities from the collections. The additional activity will support existing ward action days and the focus of the targeted ward initiative will remain on the facilitation and co-ordination of community engagement and activity in addressing ward environmental priorities and concerns. For instance, maintaining volunteering and litter picking activities within the community.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

18. The Community Skip Scheme's allocated operational budget prior to the scheme's suspension was £6,500pa. Work undertaken in the 2016 post scheme suspension identified that any future operational costs (of a like for like service) would increase to a minimum of £18k pa in light of the Environment Agency's 'approved provider list' requirements. This figure does not include potential additional disposal costs or additional officer resource for back office administration and the martialling of skip deployments.
19. An indicative estimate for the whole service provision on this basis is suggested to be circa £45 - 55k pa as follows;

If the conditions imposed by the disposal authority were adopted and the Council was not required to pay disposal costs, based on the delivery of community skip events at previous levels, the cost of providing the service to Burnley Borough Council is set out below:

3 skips X 60 events	= 3 X £120 X 60 = £21,600
Officer time	= £25,000
Total cost	= £46,600

If the Council chose not to adopt the conditions imposed by the disposal authority and the costs of any future scheme incurred disposal costs, this would be as set out below;

1 X skip X 60 events = £7,200
Disposal costs at an average 3,000 weight = circa £23,400
Officer time = £25,000
Total cost = £54,400

POLICY IMPLICATIONS

20. None.

DETAILS OF CONSULTATION

21. Lancashire County Council

BACKGROUND PAPERS

22. None.

FURTHER INFORMATION

PLEASE CONTACT:

**Tom Ormerod – Contracts Manager,
Streetscene**

ALSO:

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EXECUTIVE

BURNLEY TOWN HALL

Monday, 11th February, 2019 at 6.30 pm

85. Selective Licensing-Trinity, Queensgate, Gannow, Daneshouse and Stoneyholme

Purpose.

To update the Executive on the results of the selective licensing consultation in the following areas:

Trinity

Gannow

Queensgate

Daneshouse and Stoneyholme

To consider further selective licensing designation areas in Trinity, Gannow and Queensgate and to consider a new selective licensing designation for the Daneshouse and Stoneyholme area, along with the fee structure, staffing structure, budget implications and licence conditions.

Reason For Decision.

The Council have satisfied the statutory tests in Section 80 of the Housing Act 2004, in relation to the conditions required to designate an area for selective licensing in that; the proposed designation areas are suffering from low housing demand. In addition, the Daneshouse and Stoneyholme proposed designation area has poor property condition within the private rented sector.

Making a designation will when combined with other measures taken in the area by the local authority or by other persons together with the local authority, contribute to the improvement of the social or economic conditions in the area.

The pockets of significantly high numbers of private rented properties are exacerbating the problem of low demand through poor property management and poor housing conditions. Selective licensing will help to address the problems associated with low demand by compelling those landlords that are not operating to minimum required standards to improve the management practices and the condition of their properties. This will improve the housing offer which in turn will help improve the unpopular perspective that residents have of these neighbourhoods.

Proactive inspections in the proposed Daneshouse and Stoneyholme selective licensing area have shown that the privately rented properties are in poor condition and a high percentage of the properties have category 1 hazards, inadequate smoke detection and the absence of a Gas Safety Certificate.

The continued introduction of selective licensing areas in Burnley is key to the Council's strategy to tackle low demand, improve the quality of homes within the borough and create a balanced housing market to support social and economic improvements.

Housing plays a fundamental role in delivering sustainable neighbourhoods, facilitating social and environmental improvements and promoting economic growth. The Council believe that selective licensing has an important role to play and offers valuable support to existing initiatives to tackle empty homes, prevent homelessness, create high quality neighbourhoods and reduce anti-social behaviour.

An option appraisal detailed in paragraph 10 of appendix A to this report looks at other powers and options that are available to the Council with the reasons why they could not be used as an alternative to the proposed selective licensing designations. They will be used as support tools as part of an integrated programme of measures to improve the social, economic and environmental conditions of the areas.

In April 2015 a new General Approval came into force where by local authorities will be required to obtain confirmation from the Secretary of State for any selective licensing schemes which cover more than 20% of the geographical area or would affect more than 20% of privately rented homes in the local authority area. When combined with the current selective licensing areas of Ingham and Lawrence Street, Burnley Wood with Healey Wood and the Leyland Road area, the new proposals will affect 45% of privately rented homes in Burnley.

The Council have taken all reasonable steps to consult persons likely to be affected by the proposed designations and have considered all representations made.

In the Trinity, Gannow and Queensgate proposed designation areas the majority of respondents supported the Council's proposals for selective licensing.

In the Daneshouse and Stoneyholme area the majority of all respondents did not support the Council's proposals. However, when the respondents are split between landlords and homeowners the majority of the homeowners (55%) did agree with the Council's proposals. While the Council have fully considered the representations received, the factors of low demand and the significant poor housing conditions support the case to progress with selective licensing.

Decision.

- (1) That the areas detailed in plans A to D and Street lists A to D be approved as selective licensing areas for a maximum period of 5 years for the reasons detailed in Appendix A, Burnley Borough Council's Proposal to Approve Selective Licensing Areas;
- (2) That the submission of an application to the Secretary of State be approved for the confirmation of the Trinity, Gannow, Queensgate, Daneshouse and Stoneyholme selective licensing designation areas;
- (3) That the Fee Structure and Charging Policy in Appendix B to this report be approved;
- (4) That the staffing structure in Appendix C to this report be approved;

(5) That the Licensing Conditions detailed in Appendix D to this report be approved;
and

(6) That Full Council be recommended to approve the financial implications detailed in this report and creates a budget of £314,496 for Quarter 2 of 2019/20 which will be recovered through the fee income.

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Selective Licensing

REPORT TO THE EXECUTIVE



DATE	11/02/2019
PORTFOLIO	Housing and Leisure
REPORT AUTHOR	Clare Jackson
TEL NO	01282 477231
EMAIL	cjackson@burnley.gov.uk

PURPOSE

1. To update the Executive on the results of the selective licensing consultation in the following areas:
Trinity
Gannow
Queensgate
Daneshouse and Stoneyholme
2. To consider further selective licensing designation areas in Trinity, Gannow and Queensgate and to consider a new selective licensing designation for the Daneshouse and Stoneyholme area, along with the fee structure, staffing structure, budget implications and licence conditions.

RECOMMENDATION

3. That the Executive approves the areas detailed in plans A to D and Street lists A to D as selective licensing areas for a maximum period of 5 years for the reasons detailed in Appendix A, Burnley Borough Council's Proposal to Approve Selective Licensing Areas.
4. That the Executive approves the submission of an application to the Secretary of State for the confirmation of the Trinity, Gannow, Queensgate, Daneshouse and Stoneyholme selective licensing designation areas.
5. That the Executive approve the Fee Structure and Charging Policy in Appendix B to this report.
6. That the Executive approves the staffing structure in Appendix C to this report.
7. That the Executive approves the Licensing Conditions detailed in Appendix D to this report.
8. That the Executive recommends to Full Council the approval of the financial implications detailed in this report and creates a budget of £314,496 for Quarter 2 of 2019/20 which will be recovered through the fee income.

REASONS FOR RECOMMENDATION

9. The Council have satisfied the statutory tests in Section 80 of the Housing Act 2004, in relation to the conditions required to designate an area for selective licensing in that; the proposed designation areas are suffering from low housing demand. In addition, the Daneshouse and Stoneyholme proposed designation area has poor property condition within the private rented sector.
10. Making a designation will when combined with other measures taken in the area by the local authority or by other persons together with the local authority, contribute to the improvement of the social or economic conditions in the area.
11. The pockets of significantly high numbers of private rented properties are exacerbating the problem of low demand through poor property management and poor housing conditions. Selective licensing will help to address the problems associated with low demand by compelling those landlords that are not operating to minimum required standards to improve the management practices and the condition of their properties. This will improve the housing offer which in turn will help improve the unpopular perspective that residents have of these neighbourhoods.
12. Proactive inspections in the proposed Daneshouse and Stoneyholme selective licensing area have shown that the privately rented properties are in poor condition and a high percentage of the properties have category 1 hazards, inadequate smoke detection and the absence of a Gas Safety Certificate.
13. The continued introduction of selective licensing areas in Burnley is key to the Council's strategy to tackle low demand, improve the quality of homes within the borough and create a balanced housing market to support social and economic improvements.
14. Housing plays a fundamental role in delivering sustainable neighbourhoods, facilitating social and environmental improvements and promoting economic growth. The Council believe that selective licensing has an important role to play and offers valuable support to existing initiatives to tackle empty homes, prevent homelessness, create high quality neighbourhoods and reduce anti-social behaviour.
15. An option appraisal detailed in paragraph 10 of appendix A to this report looks at other powers and options that are available to the Council with the reasons why they could not be used as an alternative to the proposed selective licensing designations. They will be used as support tools as part of an integrated programme of measures to improve the social, economic and environmental conditions of the areas.
16. In April 2015 a new General Approval came into force where by local authorities will be required to obtain confirmation from the Secretary of State for any selective licensing schemes which cover more than 20% of the geographical area or would affect more than 20% of privately rented homes in the local authority area. When combined with the current selective licensing areas of Ingham and Lawrence Street, Burnley Wood with Healey Wood and the Leyland Road area, the new proposals will affect 45% of privately rented homes in Burnley.
17. The Council have taken all reasonable steps to consult persons likely to be affected by the proposed designations and have considered all representations made.

18. In the Trinity, Gannow and Queensgate proposed designation areas the majority of respondents supported the Council's proposals for selective licensing.
19. In the Daneshouse and Stoneyholme area the majority of all respondents did not support the Council's proposals. However, when the respondents are split between landlords and homeowners the majority of the homeowners (55%) did agree with the Council's proposals. While the Council have fully considered the representations received, the factors of low demand and the significant poor housing conditions support the case to progress with selective licensing.

SUMMARY OF KEY POINTS

Background

20. The Housing Act 2004, which came into force in 2006, introduced selective licensing. In 2015 further legislation expanded the criteria in which local authorities could introduce a designation area.
21. If an area is designated for selective licensing all privately rented properties in that area must apply to the local authority for a licence. To be granted a licence it must be shown by the applicant that they are a "fit and proper" person and that they have satisfactory arrangements in place to effectively manage the property and their tenancies. Failure to apply for a licence is a criminal offence.
22. The Council have been operating selective licensing since October 2008, as part of a wider regeneration strategy for the Borough; the first designation area being in Trinity. Trinity was further designated in January 2014 and ended on the 15th January 2019. The Gannow and Queensgate areas were designated for selective licensing in July 2014 and are due to end on the 15th July 2019.
23. In February 2016 the Council had considered selective licensing for the Daneshouse area. At this time the majority of residents and landlords did not agree with the Council's proposals. Subsequently the Council agreed to monitor the area for a further 24 months to determine whether conditions improved. Appendix A to this report shows that conditions have not improved.
24. On the 3rd July 2018 the Executive approved the consultation and evidence gathering for a potential further designation in the Trinity, Gannow and Queensgate area. In addition, approval was given to consult on a new designation area in the Daneshouse and Stoneyhome area.
25. During the proposed designation process the Council has had regard to the legislative requirements and Government guidance (Selective licensing in the private rented sector 2015). In particular:
 - a) That the four proposed designation areas of Gannow, Trinity, Queensgate and Daneshouse and Stoneyhome are in low housing demand;
 - b) That the proposed designation area of Daneshouse and Stonelyholme has poor property conditions in the private rented sector;
 - c) That selective licensing forms part of a wider regeneration strategy to reduce the

- problems associated with low housing demand and poor property conditions.
- d) Consideration has been given to other options as a possible alternative to selective licensing;
 - e) Consideration has been given to the representations received during the consultation process.

Low Demand

26. Low demand in the proposed selective licensing areas is most clearly manifested in high vacancy rates, low property values and high numbers of private rented properties. In addition, there are relatively high incidents of environmental crime and reports of anti-social behaviour, which have a negative impact on demand within the areas, further weakening the housing market.

27. The tables below are a snap shot of the statistics detailed in appendix A to this report. It summarises the statistical evidence in relation to low housing demand in the proposed selective licensing designation areas. Although not all the designation areas follow ward boundaries, or fall entirely within one ward, the tables compare each designation to the ward where the majority of the designation is situated.

	Daneshouse & Stoneyholme Ward	Daneshouse & Stoneyholme Designation	Trinity Ward	Trinity Designation
No. Properties	-	1807	-	1400
% of private rented sector properties	26% (2011 Census)	31% (2017)	32.8% (2011 Census)	45% (2017)
Property Values £ (March 2017)	£79,170	£38,554	£60,029	£39,011
% of Empty Properties (March 2017)	11%	9%	11%	14%
ASB (Council 2016/17)	59	37	60	27
Environmental Crime (2016/17)	177	157	277	278
Disrepair cases (2016/17)	38		42	
ASB/Police/1000 population. (Dec 16 to Nov 17)	249.1	-	183.2	-

	Gannow Ward	Gannow Designation	Queensgate Ward	Queensgate Designation	Burnley
No. Properties	-	937	-	1684	-
% of private rented properties	19.1% (2011 Census)	49% (2017)	25% (2011 Census)	43% (2017)	19.4% (2011 Census)
Property Values £ (March 2017)	£88,412	£44,311	£58,306	£42,743	£88,187
% of empty homes (March 2017)	6%	13%	9%	12%	6%
ASB	72	39	47	35	612

(Council 2016/17)					
Environmental Crime (2016/17)	156	172	234	298	2025
Disrepair cases (2016/17)	11		37		279
ASB/Police/1000 population (Dec 16 to Nov 17)	75.6	-	138.8	-	-

28. As can be seen from the table above the proposed designation areas are exhibiting the accepted factors of low demand and in most areas at a greater concentration than the relative wards:

- a) All proposed areas have a significantly higher percentage of private rented properties compared to the Borough and the ward that they are situated in.
- b) All proposed areas have a lower average house price than the Borough and the ward that they are situated in.
- c) All proposed areas have a higher number of vacant properties compared to the Borough.
- d) Except for Daneshouse and Stoneyholme, the proposed areas have a higher number of vacant properties than the ward that they are situated in.
- e) All proposed areas are situated in a ward that is ranked in the top 10 for the highest incidents of anti-social behaviour reported to the Police and the top 6 for the highest number of reports to the Council.
- f) All proposed areas are situated in a ward that is ranked in the top 6 for the highest incidents of environmental crime reported to the Council.

Poor Housing Conditions

29. In September 2016 the Council's Housing Service started a Private Sector Improvement Scheme within the proposed selective licensing area for Daneshouse and Stoneyholme. Page 17 of appendix A contains the full results. In summary, out of 93 completed inspections of private rented properties, just less than half (47%) were found to have category 1 hazards. Category 1 hazards pose a significant risk to occupiers. Local authorities have a mandatory duty to address category 1 hazards.

30. 49% of the properties did not have adequate smoke detection, and most concerning, 78% of the properties that were inspected did not have a Gas Safety Certificate prior to the inspection. This is basic property management and has been a legal requirement since 1998. This is unacceptable and shows that landlords operating in the proposed designation area are either unaware of their obligations or are choosing not to fulfil them. Licensing ensures that landlords meet this legal requirement by requesting a Gas Safety Certificate with the application form and annually thereafter.

31. If you take the number of failings found during the Private Sector Improvement Scheme and aggregate the number up to represent a percentage of the total private rented properties (560) within the proposed designation area there would be:

- a. 263 further properties with category 1 hazards;

- b. 274 further properties without adequate smoke detection;
- c. 436 further properties without an annual gas safety check

Selective Licensing as Part of a Wider Regeneration Strategy

32. There is an improving picture in the Trinity, Gannow and Queensgate selective licensing designation areas. Appendix A to this report shows that house prices have risen moderately, empty properties have reduced and anti-social behaviour along with environmental crime is showing a downward trend.
33. Notwithstanding these improvements the proposed designation areas are still in low housing demand. Not continuing with selective licensing at this stage would present a risk that the improvements seen will not be sustained or built on without new selective licensing designations in place for a further 5 years.

Results of the Statutory Consultation

34. Before a new designation area can be approved, it is a legal requirement for any authority considering the introduction of selective licensing to undertake a full public consultation for a period of not less than 10 weeks. The Council's consultation process started on the 3rd September 2018 and ran until 16th November 2018.
35. The consultation included the hand delivery of questionnaires, online questionnaires, resident drop in sessions, landlord evenings and meetings with key stakeholder such as the landlord associations and the Police.
36. The full results of the consultation are contained in appendix A to this report. The table below summaries the results of the consultation in relation to the question "Do you agree or disagree with the Council's proposals to introduce selective licensing?"

	No. Responses	Agree	Disagree
Trinity	106	70 (66%)	36 (34%)
Gannow	65	38 (58%)	27 (42%)
Queensgate	83	52 (63%)	31 (37%)
Daneshouse and Stoneyholme	84	31 (37%)	53 (63%)

37. With the exception of Daneshouse and Stoneyhome the majority of respondents agreed with the Council's proposal to introduce selective licensing. The full results of the consultation show that the majority of home owners were in favour of the proposed designation area in the Daneshouse and Stoneyholme area as can be seen from the table below. The figures in red are the results from a previous consultation exercise regarding selective licensing in Daneshouse in 2015.

Description of Respondent	Agree	Disagree	Total Response by Category
Landlord	3 (12.5%) 0%	21 (87.5%) (94.1%)	24
Homeowner	21 (55%) (43%)	17 (45%) (51.2%)	38

Privately Renting Tenant	1 (20%)	4 (80%)	5
Housing Association Tenant	2 (50%)	2 (50%)	4
Other	1 (50%)	1 (50%)	2
Landlord/Homeowner	1 (20%)	4 (80%)	5
Privately Renting Tenant/Homeowner	0 (0%)	1 (100%)	1
Landlord/Privately Renting Tenant/Homeowner	0 (0%)	3 (100 %)	3
Local Business/Homeowner	1 (100 %)	0 (0%)	1
Homeowner/Other	1 (100%)	0 (0%)	1
Total	31 (37%)	53 (63%)	84

Next Steps

38. Should the Council's Executive approve the designation of selective licensing in the proposed areas an application will be submitted to the Secretary of State for confirmation in February 2019. The guidance states that the Secretary of State will aim to make a decision in relation to an application within 8 weeks. For the purposes of the project plan 3 months have been allocated for this process. If the areas are confirmed within 3 months the proposed designation areas will come into force at the beginning of August 2019.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

39. It is proposed that in the main the administration of the new designation areas will be self-financing through the fee structure. There is a risk that the Council will not receive or recover all of the fee income to cover all of the costs associated with administering the schemes. This has not however been the experience in the current selective licensing areas.

40. A total budget of £314,496 to administer all four proposed designation areas will be required in Quarter 2 of 2019/20; this will then be recovered through the fee income.

POLICY IMPLICATIONS

41. There are no direct policy implications with the proposals contained within this report. The Council's Strategic Plan has a key priority of making the borough a place of choice and a central commitment to realising this ambition is to improve the management of the private rented sector. Selective licensing will be delivered under this existing policy framework.

DETAILS OF CONSULTATION

42. Private Rented Sector Forum

BACKGROUND PAPERS

43. None

FURTHER INFORMATION

PLEASE CONTACT: Clare Jackson – 01282 477231

ALSO: Paul Gatrell 01282 477230

APPENDIX A - BURNLEY BOROUGH COUNCIL - SELECTIVE LICENSING PROPOSAL DOCUMENT

This document sets out the Council's reasons for proposing areas known as Daneshouse and Stoneyholme, Trinity, Gannow and Queensgate for selective licensing.

*-Daneshouse and
Stoneyholme,
Trinity, Gannow
and Queensgate
February 2019*

Contents Page

1.0 Introduction	3
2.0 What is a selective licensing designation area?	3
2.1 Legal Framework and Guidance	3 to 4
2.2 Consequences of designating a selective licensing area	4
2.3 Implications of renting out a property without a licence	5
2.4 Breach of licence conditions	5
3.0 Burnley's profile	
3.1 The Borough	5 to 6
3.2 Population	6
3.3 Deprivation	6 to 7
3.4 Housing Type	7
3.5 Housing Tenure	7 to 8
3.6 Empty Homes	8
3.7 Fuel Poverty	8
3.8 Stock Condition	8 to 9
3.9 Housing Market	9 to 10
3.10 Crime and Anti-Social Behaviour	10
4.0 The proposed selective licensing areas	10 to 11
5.0 Daneshouse and Stoneyholme	12 to 23
6.0 Trinity	24 to 29
7.0 Gannow	30 to 33
8.0 Queensgate	34 to 38
9.0 Outcomes of the proposed designation	39
10.0 Option Appraisal	40 to 44
11.0 How does selective licensing support the Council's Housing Strategy	44 to 45
12.0 Supporting and complementary activity	45 to 49
13.0 Administration of the designation area	49 to 51
14.0 Compliance with the current selective licensing areas	51 to 52

15.0 Risk Assessment	52 to 53
16.0 Consultation Methodology	53 to 56
17.0 Results of Consultation	56 to 66
18.0 Conclusions	67 to 68
19.0 Recommendations	69
Appendix 1 Fit and Proper Person Criteria	69 to 76
Appendix 2 Draft Conditions	77 to 81
Appendix 3 Good Landlord and Agent Scheme Code	82
Appendix 4 Fee and Charging	83 to 86
Appendix 5 Trinity Transcript	87 to 128
Appendix 6 Gannow Transcript	129 to 160
Appendix 7 Queensgate Transcript	161 to 196
Appendix 8 Daneshouse and Stoneyholme Transcript	197 to 246
Appendix 9 Residential Landlords Association Transcript	247 to 253
Appendix 10a Landlord Evening 2/10/18	254 to 266
Appendix 10b Landlord Evening 12/11/18	267 to 278
Appendix 10c Individual Landlord Responses Transcript	279 to 300

1. INTRODUCTION

- 1.1 Selective Licensing was introduced by the Housing Act 2004. It allows local housing authorities to designate selective licensing areas in neighbourhoods if the area is experiencing one or more of the following conditions:
- a. Low housing demand (or is likely to become such an area)
 - b. A significant and persistent problem caused by antisocial behaviour
 - c. Poor property condition
 - d. High levels of migration
 - e. High level of deprivation
 - f. High levels of crime
- 1.2 A designation area can be in force for a maximum of 5 years. Within a designation area all privately rented properties (subject to legislative exemptions) require a licence to operate. The owner of the rented property will need to make an application to the Council for a licence. The licence is valid for a maximum of 5 years and will contain a series of conditions that the licence holder must meet. To breach the licence conditions is a criminal offence, as is the failure to apply for a licence, which could lead to a prosecution with an unlimited fine or a maximum civil penalty of £30,000.
- 1.3 This document sets out the proposal and reasons for proposing to designate the Trinity, Gannow, Queensgate and Daneshouse and Stoneyholme area of the Borough for selective licensing.

2. WHAT IS A SELECTIVE LICENSING SCHEME?

2.1 Legal Framework and Guidance

- 2.1.1 This section of the document summarises the legal requirements necessary for the introduction of selective licensing in an area.
- 2.1.2 The relevant legislation is contained within the Housing Act 2004 (“The Act”) and The Selective Licensing of Houses (Additional Conditions) (England) Order 2015 supported by two guidance documents published by the Department of Communities and Local Government.
- a) *Approval Steps for Additional and Selective Licensing Designations in England*; and
 - b) *Selective licensing in the private rented sector; A Guide for local authorities*
- 2.1.3 Selective licensing is a regulatory tool provided by the Act; it gives local authorities the power to designate the whole of, or parts of, their district for selective licensing provided that the area is experiencing one or more of the conditions detailed in paragraph 1.1 of this document.
- 2.1.4 In considering whether to designate an area for selective licensing on the grounds of property condition, migration, deprivation and crime the local housing authority may only make a designation if the area has a high proportion of property in the private rented sector. If the area has more than 19% of private rented properties it can be considered as having a high proportion of this type of accommodation.

- 2.1.5 When considering whether to make a selective licensing designation a local housing authority must first identify the objective or objectives that a designation will help it achieve.
- 2.1.6 The local housing authority must also consider whether there are any other courses of action available to it that would achieve the same objective or objectives as the proposed scheme without the need for the designation to be made.
- 2.1.7 If the problems of anti-social behaviour are only associated with a small number of properties, a local housing authority should consider making a Special Interim Management Order, rather than a selective licensing designation to cover those properties associated with the anti-social behaviour.
- 2.1.8 Only where there is no practical and beneficial alternative to a designation should a scheme be made. If the local housing authority decides there is no practical and beneficial alternative to the scheme, it must only make the designation if it is satisfied that the scheme will significantly assist it in achieving its objective or objectives together with other actions the local housing authority may be taking.
- 2.1.9 Any designation made must ensure that the exercise of the power is consistent with their overall housing strategy. It must seek to adopt a coordinated approach in connection with other initiatives such as dealing with homelessness, tackling empty properties and addressing anti-social behaviour.

2.2 Consequences of designating a selective licensing area

- 2.2.1 If a selective licensing area is designated, any private landlord wishing to operate within the designated area must apply for a licence for every tenanted house within the designated area. The power does not permit local housing authorities to require licensing of houses that have been made exempt under the Selective Licensing of Houses (Specific Exemptions) (England) Order 2006 (such as business tenancies, tenancies with a genuine term over 21 years, holiday lettings etc.), or a property that is subject to a tenancy or licence granted by a body which is registered as a social landlord under Part 1 of the Housing Act 1996.
- 2.2.2 An application for a licence would need to be submitted for each property in accordance with specified requirements. The Council is entitled to charge a fee that accompanies the application.
- 2.2.3 As part of this application process, proposed licence holders and managers will be required to provide information that they are “fit and proper persons” and that they have satisfactory management arrangements in place, including dealing with anti-social behaviour and repairs. Further details of the proposed “fit and proper person” criteria can be found in Appendix 1. In circumstances where the Council are not satisfied that the licence holder or manager are a “fit and proper person”, and/or the management arrangements are unsatisfactory, then it can refuse to grant a licence.
- 2.2.4 The licence is valid for up to 5 years. A licence will have conditions (Appendix 2) attached that are either mandatory or discretionary conditions. The Council can also include discretionary conditions relating to the management of the property.

2.3 Implications of renting out a property without a licence

- 2.3.1 It is a criminal offence to rent a property in an area designated to be a selective licensing area without a licence. Failure to apply for a licence could lead to prosecution, with the penalty of a criminal conviction and an unlimited fine or a civil penalty up to £30,000.
- 2.3.2 A landlord of an unlicensed property is unable to serve a section 21 repossession notice under the Housing Act 1988 in relation to a short hold tenancy of the whole or part of any property which is an 'unlicensed house'.
- 2.3.3 The Council can apply to the First Tier Tribunal for a Rent Repayment Order. The Order requires the landlord to repay the Council the amount of housing benefit paid during the period in which the property operated without a licence.
- 2.3.4 Part 4 of the Housing Act 2004 introduced the use of Management Orders. The Council has a duty to make a management order where they consider either:
- a) The property ought to be licensed, but is not, and the Council considers there is no reasonable prospect of it granting a licence in the near future; and
 - b) It is necessary to take steps to ensure the health, safety and welfare of persons occupying the property, or persons living in or owning properties in its immediate vicinity, are protected.
- 2.3.5 An Interim Management Order (IMO) allows the Council to take possession of the house against the immediate landlord, and subject to existing rights to occupy allows the Council to:
- a) do anything in relation to the house, which could have been done by the landlord including repairs, collecting rents etc;
 - b) spend monies received through rents and other charges for carrying out its responsibility of management, including the administration of the house; and
 - c) create new tenancies (with the consent of the landlord).

2.4 Breach of licence conditions

- 2.4.1 A licence holder (or person bound by the licence conditions) will also commit a criminal offence if they fail to comply with any condition of a licence. This offence is punishable by a fine not exceeding £5,000 or by a way of a civil penalty notice not exceeding £30,000.

3. BURNLEY'S PROFILE

3.1 The Borough

- 3.1.1 Burnley borough is situated in Pennine Lancashire. It covers an area of 11,072 hectares (42 square miles). Its compact urban area, stretching along the two river valleys of the Brun and Calder, is surrounded by the moorland countryside of the South Pennines to the south and east, and the Forest of Bowland AONB and the gritstone outcrop of Pendle Hill to the north. Coal Clough wind farm, which is visible from many parts of Burnley, dominates the skyline to the south east of the town, while nearby, the landmark panopticon, the Singing Ringing Tree, overlooks the town from the hills at Crown Point. There are two main urban settlements, Burnley and Padiham, and a number of small villages and hamlets in the rural area.

3.1.2 Much of Burnley's character and distinctiveness today derives, not only from its attractive Pennine setting, but also from its development during the Industrial Revolution. This gave the inner parts of the urban area their distinctive sandstone terraces in grid-iron street patterns, mills and fine parks.

3.2 Population

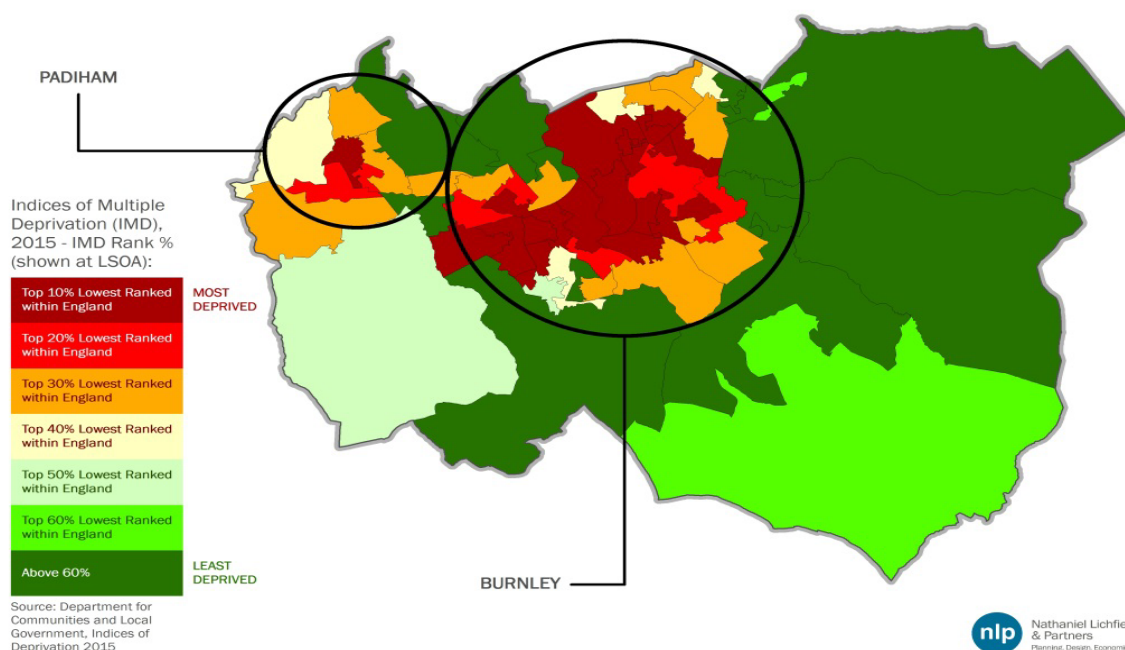
3.2.1 The borough's population at the time of the 2011 Census was 87,059. The most recent ONS 2014 mid-year population estimate indicates a small increase in Burnley's population to 87,291. Between 1991 and 2011, Burnley's population fell by 4.5% in stark contrast to a 12.7% rise in England as a whole.

3.2.2 The borough's population is diverse with about 12.6% of its residents at the 2011 Census being black or minority ethnic, an increase from 8.2% in 2001.

3.3 Deprivation

3.3.1 In the 2015 Index of Multiple Deprivation (IMD) Burnley was ranked the 9th most deprived area out of 326 local authority areas in England (based on rank of average scores). The most prevalent form of deprivation in the borough relates to health.

Figure 1 Indices of Multiple Deprivation in Burnley 2015



3.3.2 The 2015 data shows a significant proportion of the inner urban area within the 10%-30% most deprived areas in England. There is also a clear division between the rural and urban parts of the Borough, with the former experiencing far lower levels of deprivation. The ward of Daneshouse with Stoneyholme is within the top 10% lowest ranked wards in England.

3.3.3 Burnley also suffers with high levels of unemployment (7.1%¹) which can influence the affordability of the housing market resulting in fewer households being able to become home owners, and more demand for rented accommodation.

3.4. Housing Type

3.4.1 From the 2011 Census there were 37,550 dwellings in Burnley. The housing stock in Burnley differs substantially from the national average with 71.25% of dwellings built before 1919 compared with 23.6% nationally.

3.4.2 Burnley has a much higher proportion of terraced housing than England or the region as a whole. According to the 2011 Census, 50.1% of Burnley’s housing stock consisted of terraced houses compared to the regional average of 30% and England average of 24.5%. Much of the terraced housing stock comprises pre-1919 two bedroomed terraced houses and this constrains choice in the housing market.

3.4.3 The previous Pathfinder Housing Market Renewal (HMR) scheme recognised that poor condition, high vacancy rates and a lack of quality and choice of housing, in particular an oversupply of small two bedroomed Victorian terraced housing without gardens, were key drivers of housing market failure.

3.4.4 Analysis by council tax band shows that in 2015, 61.3% of dwellings in Burnley were in the lowest band 'A' compared to the average for England of 24.6%. The proportion is decreasing gradually. The highest tax bands of 'F' to 'H' accounted for 9.1% of properties in England, but constitute just 1.2% in Burnley.

3.5 Housing Tenure

3.5.1 Census data shows that between 2001 and 2011 there has been a significant decrease in the number of Burnley residents in owner occupation and an increase in the percentage in private rented accommodation.

3.5.2 Private renting has been on the increase nationally. The proportion of private rented properties in Burnley has risen from 9.3% in 2001 to 19.4% in 2011 compared to 8.8% and 15.3% in England. Burnley also demonstrates a lower than average percentage of social rented housing at 14.1% compared to a national average of 17.6%. This has the potential to further increase the reliance on the private rented sector and reduce choice in the housing market.

3.5.3 The Burnley Strategic Housing Market Assessment (SHMA 2016) suggested that owner occupation is particularly high in the rural parts of the Borough, and that private rented accommodation is more concentrated in the urban areas of Burnley and Padiham.

Table 1 – Tenure of households – Burnley and England and Wales

Tenure	Burnley Households (no.)	Burnley Households %	England and Wales %
All households	37,550	100.0	100.0
Owned	24,408	65.0	63.6
Owned: Owned outright	11,815	31.5	30.8

¹APS modelled unemployment rate (Jul 2014-Jun 2015) – NOMIS 2015

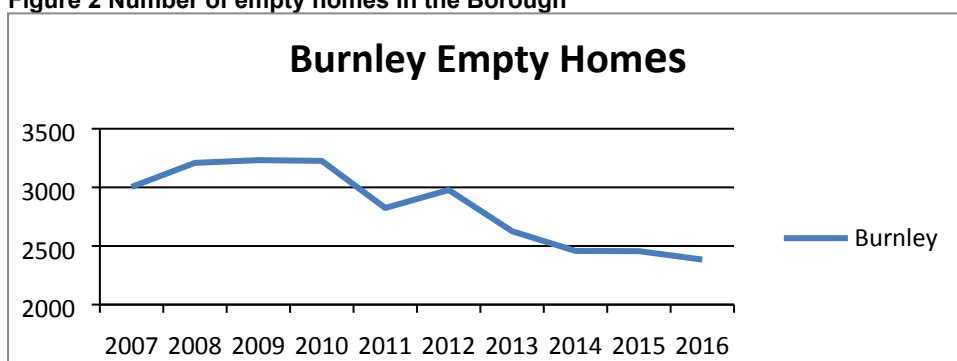
Owned: Owned with a mortgage or loan	12,593	33.5	32.7
Shared ownership (part owned and part rented)	79	0.2	0.8
Social rented	5,281	14.1	17.6
Social rented: Rented from council (Local Authority)	1,418	3.8	9.4
Social rented: Other	3,863	10.3	8.2
Private rented	7,267	19.4	16.7
Private rented: Private landlord or letting agency	6,664	17.7	15.3
Private rented: Other	603	1.6	1.4
Living rent free	515	1.4	1.4

Source: 2011 Census

3.6 Empty Homes

3.6.1 In 2016, there were 2384 empty homes in the borough, 6% of the overall housing stock. This vacancy rate is lower than the previous year and part of a gradually downward trend, but it remains significantly higher than the average for England of 2.53%.

Figure 2 Number of empty homes in the Borough



3.6.2 The long term empty properties tend to cluster in some of the inner urban areas of the borough, affecting the appearance of an area and having a negative impact on residents as they attract anti-social behavior, fly tipping and vandalism.

3.7 Fuel Poverty

3.7.1 The Department of Energy and Climate Change (DECC) defines fuel poverty through the 'low income high costs' method of calculation. A household is defined as 'fuel poor' if:

- A household has required fuel costs that are above the median level; and
- Were the household to spend that amount, they would be left with a residual income below the official poverty line.

The 2016 results from DECC indicate that in Lancashire, 63,207 households (12.34%) were in fuel poverty. Within Lancashire, Pendle (15.8%) had the 7th worst rate in the country, whilst Burnley at 15.1% has the 16th worst rate, a worsening position than in 2012 (DECC/Lancashire Profile).

3.8 Stock condition

3.8.1 The most up to date and comprehensive survey of the condition of dwelling stock in the borough is contained within the Council's House Condition Survey (June 2009). This

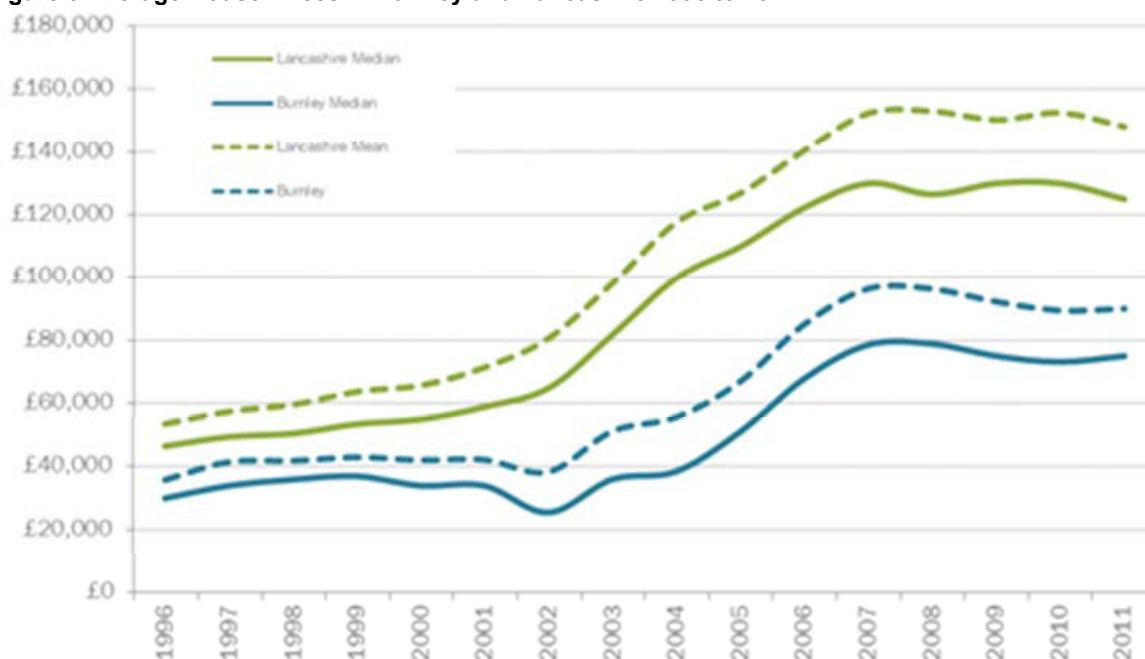
survey covered all tenures including properties owned by Registered Providers and concluded that 17,700 properties failed the Decent Homes Standard, equivalent to 43.6% of the total housing stock. This is higher than the equivalent figure for England in the same period at 36.7%. The proportion of non-decent dwellings by tenure were; owner occupied 45.5%, privately rented 46.3%, and housing association 31.3%.

3.8.2 The majority of dwellings were non-decent due to thermal comfort failure at 32.1% followed by Category 1 Hazards at 25.3%. 10.4% of the stock failed the disrepair criterion with 1.1% lacking modern facilities and amenities.

3.9 Housing Market

3.9.1 House prices between 1996 and 2011 remained stable within Burnley and the wider county as a whole, albeit Burnley has consistently exhibited lower average house prices. Looking at the change in average house prices for Lancashire and Burnley, it is apparent that the recession and subsequent economic downturn has had a significant impact on the housing market. Figure 3 illustrates that Burnley house prices broadly follow the County pattern, albeit at a reduced magnitude.

Figure 3 Average House Prices in Burnley and Lancashire 1996 to 2011



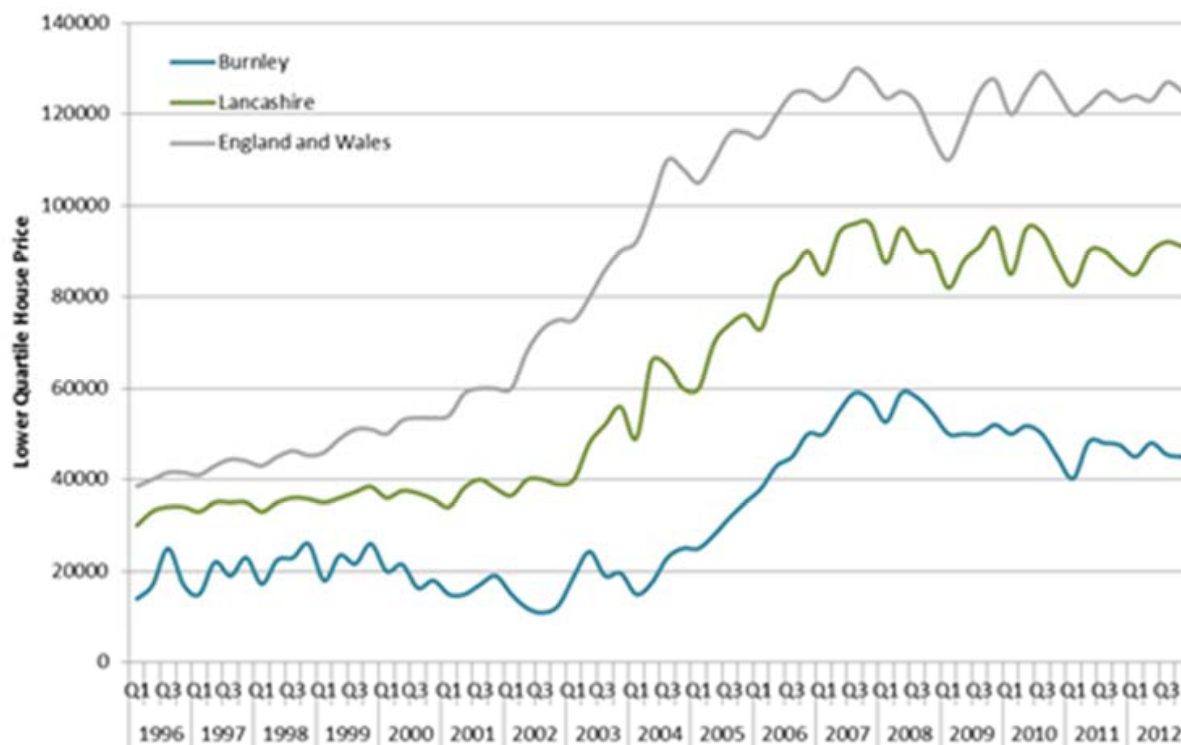
Source: CLG

Live Tables 585 and 586

3.9.2 In the period 1996 to 2012, Lower Quartile [LQ] house prices in Burnley have been significantly below the national and county-wide averages, with this gap widening post-2004. However, the Borough has experienced similar patterns in terms of peaks and troughs when compared with regional averages.

3.9.3 In 2012, the average LQ house price in Burnley was £46,000, which was below the comparable prices for Lancashire at £90,000 and England and Wales at £125,000. LQ house prices climbed significantly in Burnley from 2004 to 2008. Since 2008, LQ house prices have declined slightly but continued to remain relatively stable.

Figure 4 Lower Quartile House Prices in Burnley, Lancashire and England and Wales



Source: CLG Live Table 583

3.9.4 Pre-recession dwelling sales in Burnley (2002-2007) totaled over 3,000 transactions per annum (CLG Live Table 588). Since 2007 when the figure stood at 3,121, transactions have more than halved. They have increased significantly in recent years, from 897 in 2013 to 1,244 for the period Nov 2017 to Nov 2018, (UK House Price index: Sales volume by Property status) suggesting some recovery in the local housing market albeit still significantly less than pre-recession figures. (Hometrack).

3.10 Crime and Anti-Social Behaviour

3.10.1 Compared to other districts in Lancashire and the country as a whole, Burnley has relatively high levels of crime (the second highest rate). For 2016, the crime rate was 103.07 per 1,000 population, compared to a Lancashire Force average of 70.58 - both an increase on the previous year.

4. THE PROPOSED SELECTIVE LICENSING AREAS

4.1 This section of the document presents information that demonstrates that the proposed areas are in low housing demand when compared to other areas of the borough. In addition the Daneshouse and Stoneyholme proposed designation details evidence of poor property condition. The evidence detailed below presents a number of separate indicators that when taken together build a strong argument to demonstrate an area in low demand, in particular a high proportion of private rented property, poor property conditions, significantly low property prices and a high incidence of empty homes.

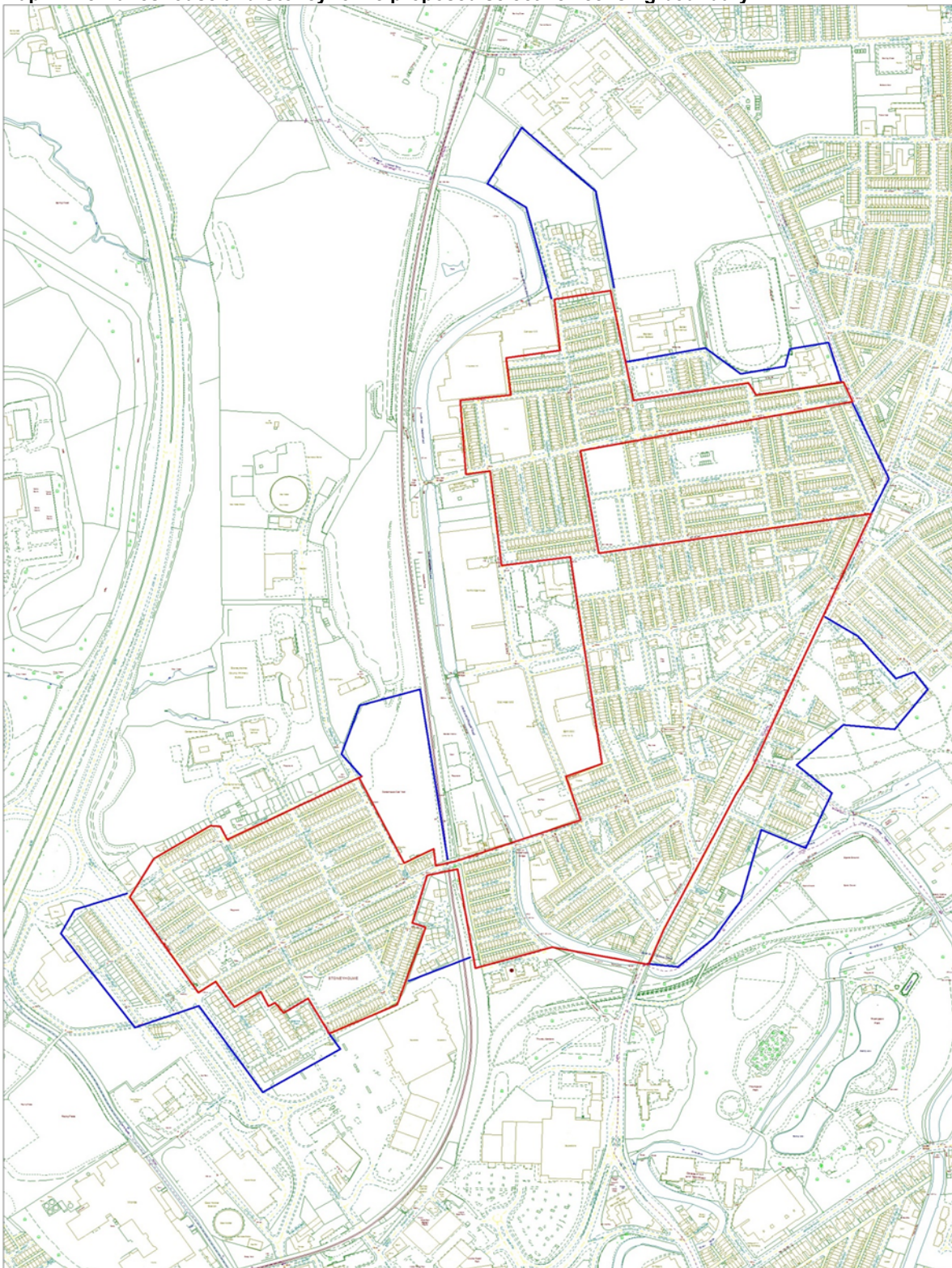
4.1.1 Data from a number of key variables including private rented properties, empty homes, housing disrepair complaints, environmental crime, and antisocial behaviour were analysed across the Borough at ward level. The wards in which the proposed designation areas are mainly situated rank with some of the highest scoring areas in the borough on these

measures. A further concentrated analysis was undertaken using statistics within the proposed designation areas. This shows that the areas exhibit significant low demand and growing private rented sectors with a number of associated problems.

5. The Daneshouse and Stoneyholme Proposed Designation

5.1 The Council is proposing selective licensing in the Daneshouse and Stoneyholme area as it is experiencing poor property conditions and low housing demand. Map 1 shows the proposed designation area in red and the larger consultation area in blue.

Map 1 The Daneshouse and Stoneyholme proposed selective licensing boundary



5.1.2 The Daneshouse and Stoneyholme ward covers a large area in the north of the town. The ward covers the town centre shopping area, bus station and public offices, and also Burnley's biggest retail park. It also covers the neighbourhoods of Stoneyholme and Daneshouse, as well as farmland spreading out towards Pendle past the M65 motorway.

5.1.3 The ward population is 5,995 (2011 census figures) with an average age of 28.7 years, with more residents aged 0-15 than any other ward in the borough.

5.1.4 82% of local residents are Asian heritage community members and 18% of the population are white / white British community members. 45% of people speak English as a first language, with nearly all other residents comfortable using English as their second language

5.1.5 38% of residents are employed, which compares with a borough wide employment rate of 58%. The 2011 Census shows that there has been a 6% increase in economic activity since the last census in 2001 despite there being an increase in benefit claimants.

5.1.6 Just over 90% of the ward's housing is terraced housing or flats.

5.2 Housing Tenure

5.2.1 The following table shows a comparison of the private rented sector in Burnley's wards. This reveals that the Daneshouse and Stoneyholme ward, where the proposed designation is situated, has a significantly higher percentage of private rented properties than the borough as a whole. It is ranked the third highest ward for the percentage of private rented properties.

Table 2 Tenure of households – ward level

Tenure (%)	Owner Occupied (%)	Social Rented (%)	Private Rented (%)	Living Rent Free (%)	Rank
Burnley Average	65.2	14.1	19.4	1.4	
Lancashire (12 districts)	71.5	12.1	15.1	1.3	
England	64.1	17.7	16.8	1.3	
Burnley Wards					
Bank Hall	45.4	21.3	29.6	1.8	2
Briercliffe	83.4	3.5	10.6	1	10
Brunshaw	58.2	28.6	10.3	1.4	11
Cliviger with Worsthorne	88.5	2	7.5	1.2	13
Coal Clough with Deerplay	69.4	19.7	8.3	1.3	12
Daneshouse/Stoneyholme	54	13.2	26	3.6	3
Gannow	65.1	12.8	19.1	1.3	7
Gawthorpe	57	15.6	24.1	1.3	4
Hapton with Park	67.9	14.4	15.5	1	8
Lanehead	67.7	14.2	15.3	0.9	9
Queensgate	65.7	5.3	25	1.2	5
Rosegrove with Lowerhouse	60.9	20.4	15.3	1.7	9
Rosehill with Burnley Wood	64	14.7	19.4	1.2	6
Trinity	51.9	12.3	32.8	1.1	1
Whittlefield with Ightenhill	83.2	7.1	8	1	14

Census 2011

5.2.3 Table 3 below shows that within the proposed designation area, the estimated percentage (31%) of private rented properties is considerably higher than the ward in which it is situated and is comparable to the current selective licensing designation areas operating in

other parts of the Borough. Through experience it is usually the case that once an area is designated, further private rented properties are found.

Table 3: The number and percentage of private rented properties in the selective licensing areas

Selective Designation Areas	Licensing	Number of Properties	No PRS start Desg	% PRS start Desg	No PRS 2017	% PRS 2017	% Change
Trinity		1400	430	31	627	45	14
Gannow		937	253	27	463	49	22
Queensgate		1684	747	45	729	43	-2
Burnley Wood with Healey Wood		1257	414	33	610	49	16
Leyland		721	310	43	386	54	11
Ingham & Lawrence		167	55	33	90	54	21
Daneshouse and Stoneyholme		1807			560	31	

Source- Current selective licensing area data and Housing Benefit date for Daneshouse and Stoneyholme

5.3 Fuel Poverty

5.3.1 Table 4 is taken from the Census 2011; it shows the number of dwellings that do not have central heating. The Daneshouse and Stoneyholme ward has the highest percentage of dwellings without central heating.

Table 4 Dwellings without central heating by ward

2011 ward	Does not have central heating		Rank
	number	%	
E05005151 : Briercliffe	73	3	9
E05005152 : Brunshaw	131	4.4	5
E05005153 : Cliviger with Worsthorne	52	2.3	11a
E05005154 : Coal Clough with Deerplay	39	1.8	12
E05005155 : Daneshouse and Stoneyholme	191	10.4	1
E05005156 : Gannow	132	5.2	5
E05005157 : Gawthorpe	121	4.2	6
E05005158 : Hapton with Park	106	4.1	7
E05005159 : Lanehead	66	2.7	10
E05005160 : Queensgate	167	6.9	3
E05005161 : Rosegrove with Lowerhouse	111	3.9	8
E05005162 : Rosehill with Burnley Wood	137	5.5	4
E05005163 : Trinity	180	7.3	2
E05005164 : Whittlefield with Ightenhill	58	2.3	11b

5.3.2 Since April 2012 landlords are required by law to have an Energy Performance Certificate (EPC) when a property is let to a new tenant. The purpose of the EPC is to show prospective tenants the energy performance of the dwelling they are considering renting. From a recent sample of the pro-active inspections of 80 properties within the Daneshouse and Stoneyholme proposed designation area (Oct 2017 – March 2018), 38 properties did not have Energy Performance Certificates at the time the inspections were arranged. Of the 42 EPCs received, 17 were rated below an E. A property rated below an E has poor energy performance.

5.4 Condition

5.4.1 Housing condition and property maintenance and repair is fundamental to the management practices within the private rented sector. Evidence of property condition impacting on residents comes from the number of housing disrepair complaints received from tenants. The Daneshouse and Stoneyholme ward had the second highest number of disrepair complaints during 2016/17 and over recent years has seen a significant increase that has more than doubled since 2011/12.

Table 5 Number of disrepair complaints received by ward

Ward	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Rank 16/17
Bank Hall	25	30	54	54	41	36	4
Briercliffe	2	4	8	5	4	3	13
Brunshaw	8	15	10	6	10	6	10
Cliviger with Worsthorne	1	1	0	1	1	1	14
Coal Clough with Deerplay	4	5	8	2	7	4	12
Daneshouse with Stoneyholme	18	22	26	24	43	38	2
Gannow	21	20	24	18	27	11	9a
Gawthorpe	20	21	20	24	24	27	6
Hapton with Park	5	12	12	12	7	11	9b
Lanehead	6	15	16	11	14	17	7
Queensgate	27	32	49	47	85	37	3
Rosegrove with Lowerhouse	12	26	30	10	22	12	8
Rosehill with Burnley Wood	14	20	33	27	32	29	5
Trinity	45	42	59	43	46	42	1
Whittlefield with Ightenhill	8	1	5	5	9	5	11
Burnley Total	216	266	354	289	372	279	

5.4.2 In September 2016 the Council's Housing Service started a private sector improvement scheme within the proposed selective licensing designation area for Daneshouse and Stoneyholme. The results are detailed in the table below:

Table 6 Private Sector Improvement Scheme

Daneshouse Private Sector Improvement Scheme 2017-18 (13/06/18)

Property Inspections:-	
93	HHSRS Inspections completed
63%	Access Rate at HHSRS Inspection
32	No accesses at HHSRS inspection
7	Owner occupied at HHSRS inspection (no inspection completed)
Outcome of inspections:-	
44 (47%)	Properties were found to have Category 1 hazards (those that present the highest risk to the occupiers).
46 (49%)	Properties did not have adequate smoke detection (at HHSRS inspection) – Smoke Regulation Remedial Notices were served.
7	Owners/Managing Agents have failed to comply with smoke Regulation Remedial Notices – Penalty Charge Notices (PCN) have been served.
73 (78%)	Gas certificates had not been completed prior to the HHSRS inspection being booked in
49 (43%)	Properties did not have an Energy Performance Certificate (EPC).
58	Cases have been closed with all the repairs completed.
13	Properties have become void/empty after the schedule of works had been sent out.
6	Formal enforcement notice has been served to date (excluding PCNs – see above).

5.4.3 Out of the 93 completed inspections of private rented properties, just less than half had category 1 hazards which pose a significant risk to occupiers and which local housing authorities have a mandatory duty to address.

5.4.4 49% of the properties did not have adequate smoke detection, which is a basic requirement for private rented properties. Through the selective licensing application process landlords are advised of the need for smoke detection with property checks undertaken to ensure compliance. Failure to provide smoke detection is a breach of the selective licensing conditions.

5.4.5 It has been a legal requirement since 1998 for landlords to ensure that all gas appliances are adequately maintained and that an annual gas safety check is undertaken by a competent person (Gas Safe Engineer). 78% of the properties inspected had not had an annual gas safety check prior to the inspection. This is unacceptable and shows that landlords operating within the proposed designation area are either unaware of their obligations or choosing not to fulfil these obligations. It is vital that landlords clearly understand their responsibilities and obligations in relation to gas supply and appliances. Selective Licensing ensures that landlords meet these responsibilities by requesting a certificate with the application form for a licence and annually thereafter. Failure to comply would be a breach of the selective licensing conditions that could result in prosecution or a civil penalty.

5.4.6 Since April 2012 landlords are required by law to have an Energy Performance Certificate (EPC) when a property is let to a new tenant. The purpose of the EPC is to show prospective tenants the energy performance of the dwelling they are considering renting. From April 2018 it will be unlawful to let a private rented property with a rating lower than an “E”. The selective licensing application process requires an EPC to be submitted before the property is licensed.

5.4.7 If you take the number of property failings found during the Private Sector Improvement Scheme (September 2017 – June 2018) and aggregate the number up to represent a percentage of the total private rented properties (560) within the proposed designation area there would be:

- 263 further properties with Category 1 hazards;
- 274 further properties without adequate smoke detection;
- 436 further properties without an annual gas safety check;
- 240 further properties without EPCs.

5.5 Housing Market

5.5.1 The following table shows the house price variation within the borough's wards, with the rural ward of Cliviger having the highest prices. It is well documented how house prices in Burnley, particularly inner Burnley, have been consistently some of the lowest in the country. Despite a significant increase in the Daneshouse and Stoneyholme ward average house price from March 2016 to March 2017, the ward still ranks as 5th for the lowest house prices out of the fifteen wards in the Borough.

Table 7 Average property prices for all housing types by ward over time

	Mar-09	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	Mar-15	Mar-16	Mar-17	Rank Mar-17
Burnley Borough	94,930	93,621	87,794	92,393	92,947	89,085	93,159	91,609	88,187	
Rosehill with Burnley Wood	78,350	75,467	68,781	76,952	82,739	79,730	88,015	78,632	81,121	6
Queensgate	65,614	80,874	63,270	55,494	46,233	69,256	58,452	54,854	58,306	2
Daneshouse with Stoneyholme	84,350	69,739	56,614	54,958	53,122	58,608	67,196	53,190	79,170	5
Rosegrove with Lowerhouse	76,833	86,660	73,564	79,069	75,679	78,873	83,148	82,210	78,357	4
Hapton with Park	109,124	99,637	106,399	102,890	111,153	112,545	125,535	117,787	97,727	10
Briercliffe	148,171	115,130	109,697	124,186	148,477	107,462	131,117	118,644	116,388	13
Brunshaw	76,468	87,952	80,739	77,930	62,047	79,422	75,955	78,696	90,996	9
Coal Clough with D'play	131,863	129,163	98,589	150,060	133,069	101,940	139,320	113,483	114,766	12
Trinity	62,929	69,884	68,328	51,375	64,674	42,649	50,142	53,963	60,029	3
Gannow	106,105	77,421	84,848	81,461	82,920	79,979	83,252	79,026	88,412	8
Cliviger	182,100	166,660	198,903	159,017	163,193	173,729	165,375	183,130	168,922	15
Gawthorpe	91,426	91,466	92,541	102,632	73,117	58,487	94,764	93,709	84,390	7
Whittlefield w/ Ightenhill	160,779	153,474	157,194	149,604	168,026	147,553	161,063	154,844	143,581	14
Bank Hall	63,551	69,118	51,395	61,067	44,538	53,255	56,267	56,848	51,069	1
Lanehead	97,146	93,547	94,539	77,707	93,165	100,595	110,684	85,782	99,537	11

Source: Hometrack

5.5.2 The poor property conditions detailed above have a negative effect on the housing market and can contribute to low demand as people move out of the area to live in homes that are in a better condition.

5.5.3 Looking at the average house prices for the proposed selective licensing designation area, the figures show that the house prices within this area are significantly lower when compared to the ward it is situated in.

Table 8 Average house prices within the proposed designation area

Average House Prices	2013/2014	2014/2015	2015/2016	2016/2017
Daneshouse selective licensing area	43,319	33,524	43,529	38,554
Daneshouse and Stoneyholme Ward	58,608	67,196	53,190	79,170

5.6 Empty Homes

5.6.1 Table 9 below shows the number of empty properties in Burnley by ward and compares this as a percentage. In 2017 the number of empty properties in the Daneshouse and Stoneyholme ward was 11%, significantly higher than the borough average of 6% and joint highest when compared with all wards across the Borough.

Table 9 Number of empty properties by Ward

	2011	2012	2013	2014	2015	2016	2017	% 2017
Burnley	2,824	2,978	2,626	2,458	2,456	2,384	2,267	
Lancashire	23,812	24,151	22,863	21,410	20,758	20,727	20,002	
Bank Hall	298	298	408	326	255	253	272	9
Briercliffe	90	85	100	87	102	124	84	3
Brunshaw	90	121	83	84	112	110	124	4
Cliviger with Worsthorpe	74	73	94	84	85	89	93	4
Coal Clough Lane with Deerplay	73	77	135	117	103	88	88	4
Daneshouse with Stoneyholme	389	343	319	274	223	225	234	11
Gannow	171	156	165	150	165	166	171	6
Gawthorpe	197	180	217	211	189	223	182	6
Hapton with Park	122	130	190	170	143	138	129	5
Lanehead	128	101	136	145	119	129	109	4
Queensgate	318	294	239	231	262	264	250	9
Rosegrove with Lower House	149	149	165	160	165	141	127	4
Rosehill with Burnley Wood	316	239	123	125	214	199	203	8
Trinity	409	373	320	288	345	350	307	11
Whittlefield with Ightenhill	79	72	93	82	85	94	93	4

5.6.2 Table 10 below shows the percentage of empty properties in the current selective licensing areas and the proposed designation area for Daneshouse and Stoneyholme. As can be seen from the table, there is a lower percentage of empty properties within the proposed designation area of Daneshouse and Stoneyholme at 9% when compared with the ward figure at 11%. Despite this, the figure at 9% is still higher than the Borough average of 6% and comparable to the current selective licensing areas which are suffering from low housing demand. The empty properties within the proposed designation area of Daneshouse and Stoneyholme cluster more in the Daneshouse part of the area; when looking at this area alone a figure of 11% was recorded for 2017.

5.6.3 As detailed in table 10, the three established selective licensing areas of Trinity, Gannow and Queensgate have seen a percentage reduction in the number of empty properties since the designations came into force in 2014, with Trinity showing the largest reduction.

5.6.4 Daneshouse with Stoneyholme has also seen a reduction in the number of empty properties albeit to a lesser degree than Trinity.

Table 10 Percentage of empty homes within the selective licensing areas

Selective Licensing Designation	2010	2011	2012	2013	2014	2015	2016	2017
Trinity (1400)	18	16	20	20	20	16	16	14
Gannow (937)	12	12	13	14	14	12	14	13
Queensgate (1648)	17	16	15	16	14	10	14	12
Burnley Wood with Healey Wood (1257)	13	13	14	13	14	13	12	12
Leyland (721)	16	18	16	15	15	13	13	15
Ingham & Lawrence (167)	11	13	10	11	10	12	14	10
Daneshouse and Stoneyholme (1807)	15	14	12	12	10	10	10	9

5.7 Crime, Anti – Social Behaviour and Environmental Crime

5.7.1 Significant incidents of anti-social behaviour (ASB) and crime can be a contributing factor to low demand, as people do not want to remain in an area displaying such problems. Safer Lancashire ranks the Daneshouse and Stoneyholme Ward as the highest for ASB and Crime across the Borough. This ward does however include the town centre, which is likely to increase the incidents due to the night time economy.

Table 11 Safer Lancashire ASB by Ward

Ward	Safer Lancashire Aug 2013 to July 2014.	Safer Lancashire Dec 2015 to November 2016.	Safer Lancashire Dec 2016 to November 2017.	Rank Based on most recent stats
Bank Hall	ASB stats per 1000 population	ASB stats per 1000 population	ASB stats per 1000 population	3
Briercliffe	124.6	115.5	114.8	13
Brunshaw	27.6	57.6	38.9	11
Cliviger with Worsthorpe	59.3	48	47	14
Coal Clough with Deerplay	20.6	15	16.6	8
Daneshouse with Stoneyholme	54.3	55.8	53.8	1
Gannow	182.7	154.3	152.7	9
Gawthorpe	62.1	69.6	53.1	6
Hapton with Park	71.7	82	73.4	12
Lanehead	41	52.5	45.4	10
Queensgate	61	53.7	51	5
Rosegrove with Lowerhouse	100	88.2	75.8	7
Rosehill with Burnley Wood	71.5	71.4	64	4
	67.1	76.6	90.2	

Trinity	112.9	105	122.5	2
Whittlefield with Ightenhill	73.8	42.1	27.2	15

Table 12 Safer Lancashire Crime by Ward

Ward	Safer Lancashire Aug 2013 to July 2014.	Safer Lancashire Dec 2015 to November 2016.	Safer Lancashire Dec 2016 to November 2017.	Rank Based on most recent stats
Bank Hall	124.9	159.3	174.1	3
Briercliffe	34.1	44.3	39.6	14
Brunshaw	51	50.7	77.9	9
Cliviger with Worsthorne	30.2	25.9	33.2	15
Coal Clough with Deerplay	68.3	81.4	95.1	8
Daneshouse with Stoneyholme	253.2	240.3	249.1	1
Gannow	81	75.5	75.6	10
Gawthorpe	76.4	113.5	115.7	7
Hapton with Park	45.4	65.8	68.9	12
Lanehead	73.2	71.9	72	11
Queensgate	128.4	124.8	138.8	4
Rosegrove with Lowerhouse	73	83.6	105.8	6
Rosehill with Burnley Wood	103.1	109.8	133.7	5
Trinity	160.5	146.5	183.2	2
Whittlefield with Ightenhill	89.5	39.8	50	13

5.7.2 The ASB incidents reported to the Council show that the Daneshouse and Stoneyholme ward has the fourth highest number of incidents in the Borough. Table 14 shows the number of reported incidents of ASB to the Council for the selective licensing areas. The proposed Daneshouse and Stoneyholme designation shows the joint second highest number of reports compared to the current selective licensing areas.

Table 13 Reported incidents of ASB to the Council by Ward

Ward	2014/15	2015/16	2017/18	Rank based on most recent statistics
Bank Hall	76	67	77	1
Briercliffe	9	8	14	12
Brunshaw	31	28	41	8
Cliviger with Worsthorne	11	5	6	13
Coalclough with Deerplay	20	21	28	10
Daneshouse with Stoneyholme	19	20	59	4
Gannow	98	50	72	2
Gawthorpe	38	56	56	5
Hapton with Park	23	22	25	11
Lanehead	32	30	31	9
Queensgate	32	49	47	6

Rosegrove with Lowerhouse	29	22	38	9
Rosehill with Burnley Wood	47	48	45	7
Trinity	72	51	60	3
Whittlefield with Ightenhill	22	20	13	13
Total	559	497	612	

Table14 Reported incidents of ASB to the Council by selective licensing area

Selective Licensing Designation	2014-15	2015-16	2116-17
Trinity	38	24	27
Gannow	41	33	39
Queensgate	27	35	32
Burnley Wood with Healey Wood	35	28	37
Leyland Road	17	12	19
Ingham	4	2	4
Daneshouse and Stoneyholme	19	20	37

5.7.3 Environmental crime includes flytipping of back streets and residents failing to keep their yards free of litter and dog fouling. Accumulations of rubbish have a detrimental effect on neighbourhoods, making an area look unattractive and run down, attracting vermin and posing a risk of deliberate fires. The table below shows the number of incidents of environmental crime reported to the Council. The Daneshouse and Stoneyholme ward is ranked the fifth highest for environmental crime.

Table 15 Reported incidents of Environmental Crime to the Council by Ward

Ward	Number of Incidents			
	2014/15	2015/16	2016/17	Rank - Latest 2016/17
Bank Hall	481	310	475	1
Briercliffe	9	103	23	13
Brunshaw	19	42	44	11
Cliviger with Worsthorpe	1	6	2	15
Coal Clough with Deerplay	28	13	21	14
Daneshouse with Stoneyholme	175	177	177	5
Gannow	152	165	156	6
Gawthorpe	126	135	112	7
Hapton with Park	34	42	28	12
Lanehead	44	53	48	10
Queensgate	332	254	234	4
Rosegrove with Lowerhouse	86	97	66	8
Rosehill with Burnley Wood	248	198	296	2
Trinity	367	405	277	3
Whittlefield with Ightenhill	84	83	60	9
Grand Total	2208	2083	2025	

5.7.4 Table 16 looks at the data from selective licensing areas and shows that the proposed area of Daneshouse and Stoneyholme has a smaller number of reported incidents of environmental crime than the current selective licensing areas. The Council's Streetscene

Unit who are responsible for refuse collection, report that within the proposed selective licensing area fly-tipping to back streets is an ongoing problem. The flytipping includes white goods, black bags and open food waste, to the point that a caged vehicle has to be sent first to clear the fly-tipping before the bin wagon can proceed. This is especially concentrated in and around Cameron, Violet and Evelyn Streets.

Table 16 Reported incidents of Environmental Crime to the Council by selective licensing area

Year	2014-15	2015-16	2016-17
Trinity	316	320	278
Gannow	266	223	172
Queensgate	419	281	298
Bwood	279	232	268
Leyland	297	209	220
Ingham & Lawrence	21	17	36
Daneshouse & Stoneyholme	175	177	157

5.8 Why Propose a Selective Licensing Designation?

5.8.1 The Daneshouse and Stoneyholme proposed designation area has a significantly high number of private rented properties. From the Private Sector Improvement Scheme, a large proportion of the properties inspected are in a poor condition with the basic requirements of annual gas safety certificates and the installation of smoke alarms not being complied with.

5.8.2 House prices within the proposed designation area are £50,000 less than the Borough average and £40,000 less than the average house price for the ward in which the proposed designation area is situated.

5.8.3 Whilst the number of empty homes within the proposed designation area at 9% is not as high as the current selective licensing areas, they are still higher than the Borough average of 6%. The empty homes tend to cluster within certain areas of the proposed designation.

5.8.4 Reported incidents of environmental crime are lower than those for the current selective licensing areas; however visual audits show significant sides waste of mattresses, white goods and food debris.

5.8.5 The number of incidents of reported anti-social behaviour is comparable to the current selective licensing areas.

5.8.6 The combined indicators summarised above show that the proposed designation area is in low housing demand with a high proportion of private rented properties in poor condition.

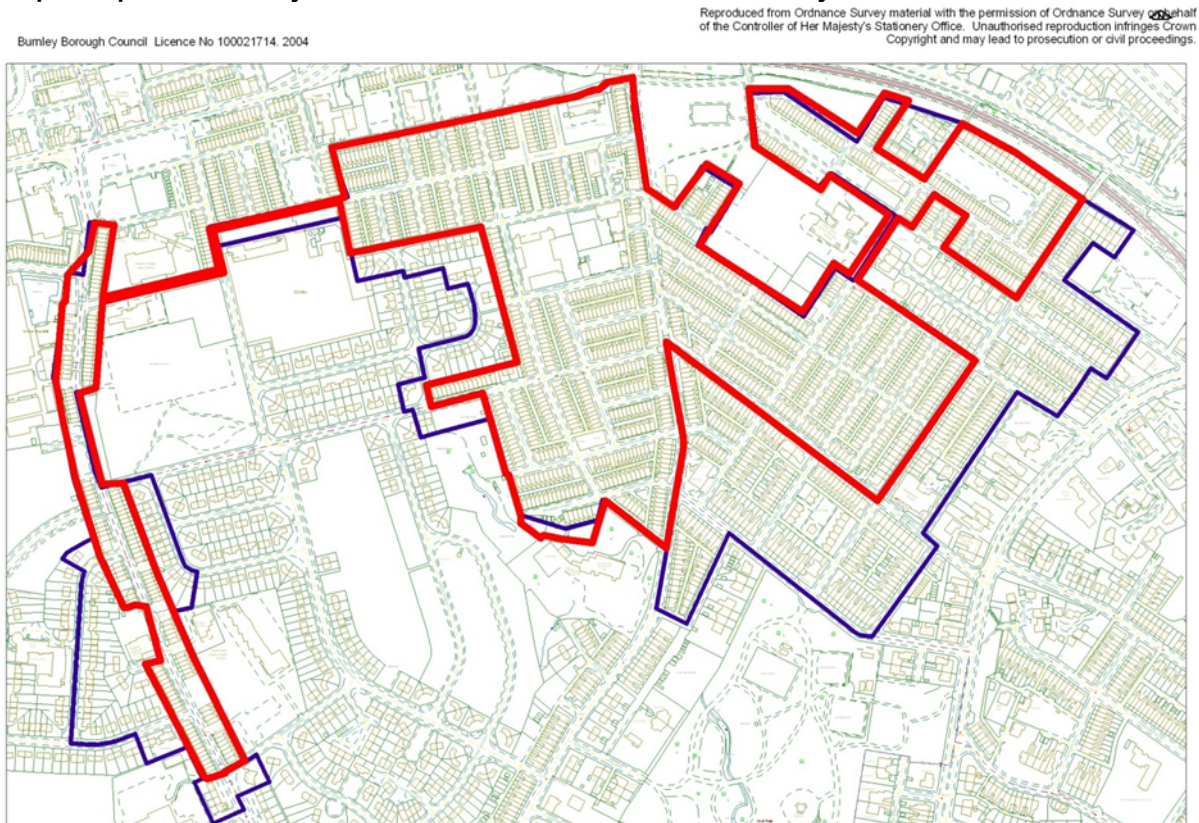
5.8.7 Selective licensing, when combined with the supporting and complementary activity detailed in section 12 of this document, will assist in improving the management of private rented properties by compelling all landlords to meet legal requirements such as annual gas safety certificates. It will also improve property conditions by continued proactive inspections and through partnership work and support to landlords reduce anti-social behaviour and environmental crime. Selective licensing will also work closely with the Council's Empty Homes Programme to ensure that when empty properties are brought back into use, they are managed professionally.

6. The Trinity Proposed Designation Area

6.1 The Council is proposing selective licensing in the Trinity area as the area is experiencing low housing demand. Selective licensing was first introduced in Trinity in October 2008, followed by a second designation in January 2014. This second designation is due to end in January 2019.

6.1.1 Map 2 shows the proposed designation area which is situated within the Trinity ward with the wider consultation boundary.

Map 2 Proposed boundary and wider consultation area in blue for Trinity



6.1.2 Trinity ward is to the west of Burnley town centre. As well as being a residential neighbourhood, Trinity contains the historic Weavers' Triangle, and the old disused mills of industrial Burnley which are undergoing a huge regeneration programme called On the Banks.

6.1.3 Trinity has a population of 5,270 (2011 census figures) with an average age of 38 years. There are slightly more residents aged 25-44 compared to most other wards.

6.1.4 95% of residents are white/white British.

6.1.5 53% of residents are employed, which compares with a borough wide employment rate of 58%. There has been an increase in the number of people claiming benefits in this ward.

6.1.6 The proportion of terraced housing in Trinity is high at 73% of the housing stock.

6.2 Why Propose Another Selective Licensing Designation Area?

6.2.1 The area of Trinity was identified as having low housing demand long before the first selective licensing designation came into force in October 2008. It was officially designated part of the Governments Housing Market Renewal Pathfinder in 2002 (known as Elevate). Since 2002 the Council and partners have been working to proactively address this low housing demand.

6.2.2 Since October 2008 selective licensing has been part of the wider regeneration programme for the Borough, supporting the physical regeneration by ensuring there is well managed private rented accommodation within the area. The designation area is showing some signs of stability and improvement, although as this document demonstrates it still experiences some of the worst characteristics of low demand.

6.3 Tenure

5.3.1 The level of private rented property in the Trinity ward is the highest in the Borough. Almost 1 in 3 households were renting privately from a landlord or agency (32.8%) according to the 2011 Census. Within the proposed designation area, there are 1400 properties of which approximately 643 (46%) are privately rented (Selective Licensing figures May 2018). It is clear that private rented property forms a significant part of the housing offer within the Trinity area, and it is important for the function of the housing market and the neighbourhood that this significant tenure concentration is well managed, providing good quality accommodation and value for money for residents.

6.4 House Prices

6.4.1 Figure 5 shows that the median house prices within the designation area fell significantly from 2008 following the economic down turn, as was the case nationally albeit at a more moderate downward trend. The prices began to stabilise in 2011 and increase in 2013. Following a general upward trend 2016 saw a return to similar prices to those seen in 2007. Table 17 shows that the average house price within the designation area has increased steadily since the start of the designation area in January 2014. The number of sales has also increased marginally.

Figure 5 Median House prices in the designation area since 2007 to 2016 (Land Registry)

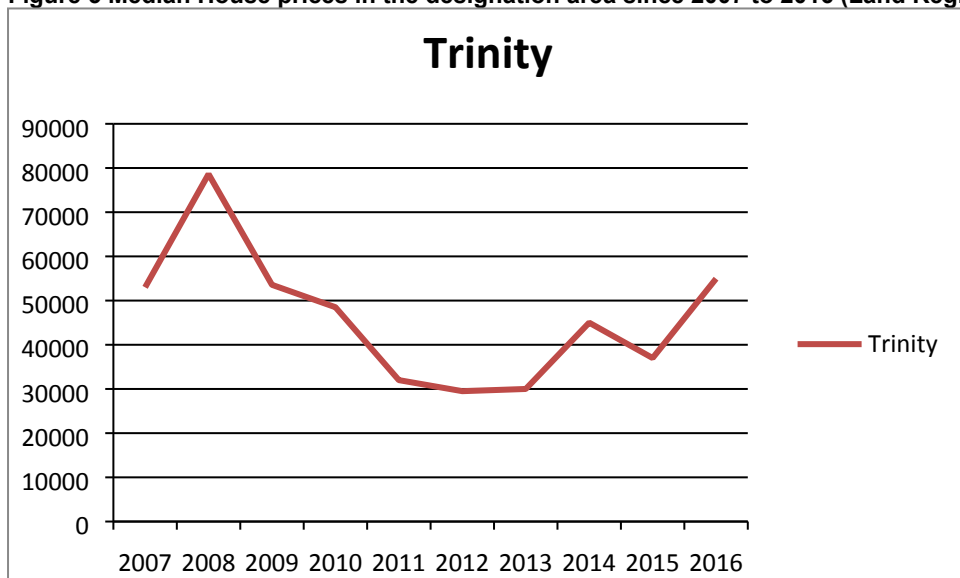


Table 17 Number of Sales & Average house prices for the Trinity Designation Area from 2013/14 to 2016/17

Trinity Designation Area	2013/2014	2014/2015	2015/2016	2016/2017
Number Sales	58	71	64	79
Average House Price	£31,814	£32,194	£34,088	£39,011

6.5 Empty Homes

6.5.1 Table 10 on page 20 of this document shows that empty homes within the proposed designation area have reduced by 29% from 2014 when the second designation came into force.. The reduction in empty homes shows that investors have confidence in the area.

6.6 Anti-Social Behaviour

6.6.1 Table 11 on page 20 of this document shows that the Trinity Ward has the second highest levels of anti-social behaviour reported per 100 population in the Borough. The number of reports has increased from August 2013 to November 2017.

6.6.2 Table 14 differs to the Police reports and shows that since the start of the designation the number of incidents of anti-social behaviour within the designation area reported to the Council has reduced by 29%.

6.6.3 Table 18 below shows data from the Police Partnership Analyst in relation to incidents of anti-social behaviour reported to the Police within the designation area:

Table 18 Number of ASB reports to the Police for the Trinity Designation Area

Date	Jan to Dec 13	Jan to Dec 14	Jan to Dec 15	Jan to Dec 16	Jan to Dec 17
No. Incidents	308	277	269	218	294

6.6.4 From the start of the second designation in January 2014 to December 2016 the number of incidents had significantly reduced. They however increased significantly the following year. The number of incidents reported from Cog Lane doubled in that year. This was mainly due to youth nuisance affecting three streets. Through the Multi Agency Tasking and Coordinating meeting, a Task and Finish group was set up to deal with this behaviour.

Agencies included the Police, the Anti-Social Behaviour team, Stepping Stones and a large Registered Social Provider and Selective Licensing.

6.6.5 The selective licensing team ensured that the landlords and managing agents of the private rented properties where some of the perpetrators lived, were aware of the complaints and were supported in taking the necessary action. In addition they coordinated a leaflet drop to all houses within the affected three streets to ensure residents knew how to report the anti-social behaviour. Whilst the number of reported incidents have decreased in this area, there are still ongoing matters that are being monitored.

6.7 Environmental Crime

6.7.1 In 2010/11 there were 380 reports of environmental crime within the Trinity designation area, by the end of the first designation area this had reduced to 302. Table 16 on page 25 of this document then shows the number of incidents rising slightly to 316 at the beginning of the second designation and reducing to 278 in 2016/17. During the period covered by the second designation, environmental crime has reduced by 25%.

6.8 Fuel poverty and Property Condition

6.8.1 Table 4 on page 15 of this document shows that the Trinity Ward was the second highest for dwellings without central heating according to the 2011 Census. Since the start of the second designation in Trinity in January 2014, 683 Energy Performance Certificates (EPCs) have been received, 64 of which were lower than an E rating, which is a poor energy efficiency. Through intervention from selective licensing the landlords undertook the necessary steps and had further EPCs undertaken which resulted in only 21 dwellings having an EPC rating less than an E. All 21 dwellings have been inspected under the Council's housing disrepair functions to ensure any hazards of excess cold were addressed.

6.8.2 Since the start of the designation in January 2014, 281 inspections have been undertaken under the Council's housing disrepair functions. These inspections have ensured that the properties are free from hazards that could affect the health, safety or welfare of the occupiers.

6.9 Continuation of Selective Licensing

6.9.1 There is an improving picture within the Trinity proposed designation area; house prices have risen moderately, empty properties have reduced significantly and Anti-social behaviour along with environmental crime is showing a downward trend. There is also been improvements in property condition and property management.

6.9.2 Notwithstanding these improvements, the proposed designation is still in low housing demand. Not continuing with selective licensing at this stage would present a risk that this improvement will not be sustained or built on without a new designation in place for a further five years.

6.9.3 Government guidance released by the Department for Communities and Local Government in 2015 also acknowledged the need for licensing to extend beyond a five year designation: 'The Government recognises that licensing may have to be a long term strategy and that it will not provide instant solutions.'

6.9.4 The private rented sector within the designation area continues to grow, with an increase of 14% from 2014 to May 2018. The area follows the national trend of an increasing private rented sector year on year from 16% of the total dwelling stock in 2009 to 20.4% in 2016 (DCLG Dwelling Stock Estimates 2016, England).

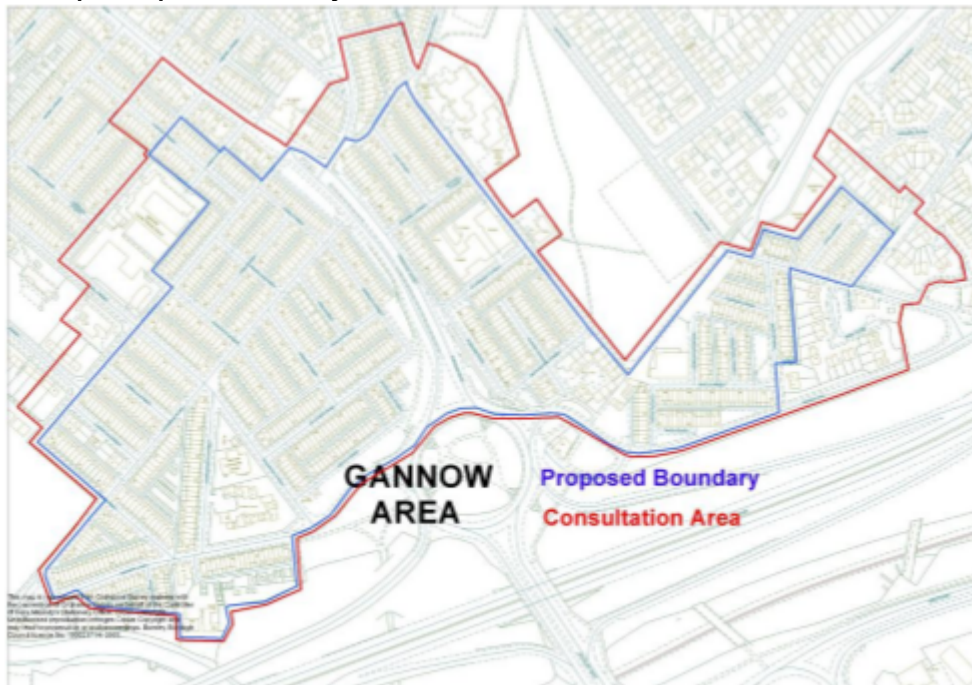
6.9.5 The growth of the sector within the designation area has seen new, professional landlords investing in the area, providing higher quality, well managed accommodation. Through the ongoing accreditation scheme and landlords forums, we will support these new and existing responsible landlords, while licensing will continue to tackle those landlords that choose to ignore their legal responsibilities, undermining the private rented sector as a positive form of housing.

7. The Gannow Proposed Designation Area

7.1 The Council is proposing selective licensing in the Gannow area as the area is experiencing low housing demand. Selective licensing was first introduced in Gannow in July 2014 to July 2019.

7.1.2 Map 3 shows the proposed designation area which is situated within the Gannow ward with the wider consultation boundary.

Map 3 Proposed boundary and wider consultation area in red for Gannow



7.1.3 The Gannow ward spreads out to the west of the town going into Padiham. The ward begins at Gannow junction and includes the area around the former Habergham High School. The majority of the ward is to the south of Padiham Road and, along with Queensgate, is the smallest ward in the borough in terms of area covered.

7.1.4 Gannow's population is 5,651 (2011 census figures) with average age of 39.6 years, with an increasing 45-64 age group.

7.1.5 98% of local residents are white/white British.

7.1.6 62% of residents are employed, which compares with a borough wide employment rate of 58%. There has been a 4% increase in economic activity since last census despite there being an increase in benefit claimants.

7.1.7 The proportion of terraced housing is relatively high in Gannow, at 56%. Detached housing accounts for a relatively small proportion of all housing.

7.2 Why Propose Another Selective Licensing Designation Area?

7.2.1 The housing market in the Gannow area started to show signs of low demand (with increasing void levels, increased levels of private rented properties, properties in poor housing conditions and higher social deprivation and increased crime) in the late 1990s.

7.2.2 Since July 2014, selective licensing has been part of the wider regeneration programme for the Gannow area, supporting the physical regeneration by ensuring there is well managed private rented accommodation within the area. The designation area is beginning to show some signs of stability and improvement, but when compared to other areas within the Borough the Gannow area still suffers from some of the characteristics of low demand.

7.3 Tenure

7.3.1 Table 2 on page 15 of this document shows a comparison of the private rented sector in the Burnley's wards. This shows that the Gannow ward does not have the highest level of private renting and is comparative to the Borough. The proposed designation area however has a localised concentration of private rented properties. Out of 937 properties; 49% are currently privately rented (selective licensing figures May 2018).

7.4 House Prices

7.4.1 Table 7 on page 19 of this document shows that the average property prices have been steadily increasing in the Gannow ward since March 2014. Table 19 below shows that the average house price within the designation area has also increased steadily since the start of the designation area in July 2014. The number of sales has also increased marginally.

Table 19 Number of Sales & Average house prices for the Gannow Designation Area from 2013/14 to 2016/17

Gannow Designation Area	2013/2014	2014/2015	2015/2016	2016/2017
Number Sales	35	45	54	41
Average House Price	40599	44294	45339	44311

7.5 Empty Homes

7.5.1 At the start of the designation there were 134 empty properties within the proposed designation area. In 2017 there were 126 empty properties which is a marginal reduction of 6%. The number of property sales and the small reduction in empty properties shows that landlords are investing within the area. Whilst this improvement is a positive development, it will require further support to ensure that the area continues to improve and confidence in the housing market grows.

7.6 Anti-Social Behaviour

7.6.1 Table 14 on page 24 of this document shows that since the start of the designation, the number of incidents of anti-social behaviour within the designation area reported to the Council has reduced from 38 to 27. Table 20 below shows data from the Police Partnership Analyst in relation to incidents of anti-social behaviour reported to the Police within the designation area. The data shows that reported incidents increased during the year the designation came into force. This may have been due to increased awareness of the reporting mechanisms for anti-social behaviour through the selective licensing surgeries and resident meetings. In years 2, 3 and 4 of the designation area the reports of anti-social behaviour reduced.

Table 20 Number of ASB reports to the Police for the Gannow Designation Area

Date	Jan to Dec 13	Jan to Dec 14	Jan to Dec 15	Jan to Dec 16	Jan to Dec 17
No. Incidents	135	200	183	183	155

7.7 Environmental Crime

7.7.1 In 2014/2015 there were 266 reports of environmental crime within the designation area; by 2016/17 this had reduced to 172 (Table 16 on page 25)

7.8 Fuel poverty and Property Condition

7.8.1 Table 4 on page 15 of this document shows that within the Gannow Ward 4.2% of properties did not have central heating. Since the start of the designation in Gannow in July 2014, 481 Energy Performance Certificates (EPCs) have been received, 26 of these EPCs recorded lower than an E rating which demonstrates poor energy efficiency. Through intervention from selective licensing, the landlords undertook the necessary steps and had a further EPC undertaken which resulted in only 6 dwellings having an EPC rating less than an E. These 6 dwellings have been inspected under the Council’s housing disrepair functions to ensure that any hazards of excess cold have been addressed. The final property will be inspected before the end of the designation area.

7.8.2 Since the start of the designation in July 2014, 130 inspections have been undertaken under the Council’s housing disrepair functions. These inspections have ensured that the properties are free from hazards that could affect the health, safety or welfare of the occupiers.

7.9 Continuation of Selective Licensing

7.9.1 The private rented sector within the designation area continues to grow, with an estimated increase of 22% from 2014 to May 2018. The area follows the national trend of an increasing private rented sector with national figures showing an increase from 16% of the total dwelling stock in 2009 to 20.4% in 2016 (DCLG Dwelling Stock Estimates 2016, England).

7.9.2 Whilst there has been a marginal increase in house prices and a reduction in empty homes as well as a downward trend in anti-social behaviour and environmental crime, the area remains in a lower demand than the ward of Gannow and the Borough. Not continuing with selective licensing at this stage would present a risk that this improvement will not be sustained or built on without a new designation in place for a further five years.

8. The Queensgate

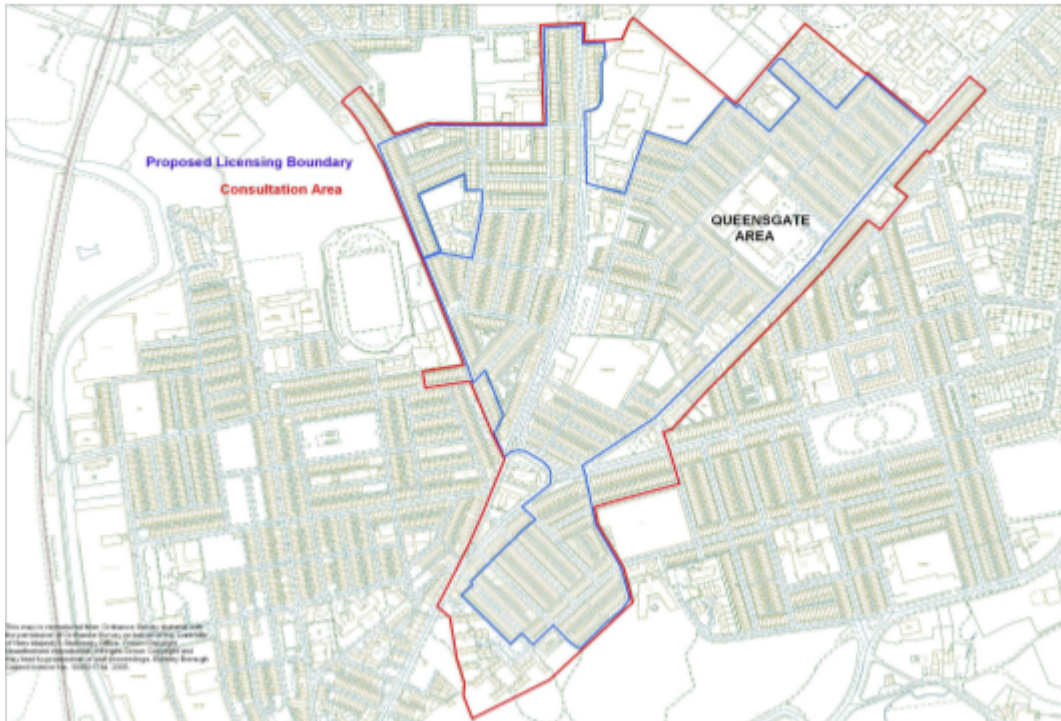
Proposed

Designation Area

8.1 The Council is proposing selective licensing in the Queensgate area as the area is experiencing low housing demand. Selective licensing was first introduced in Queensgate in July 2014 to July 2019.

8.1.2 Map 4 shows the proposed designation area which is situated mainly within the Queensgate ward, although part of the designation falls into the ward of Bank Hall.

Map 4 Proposed boundary and wider consultation area in red for Queensgate



8.1.3 Queensgate is one of the smallest wards in Burnley in geographical terms. Covering an area to the north of the town heading into Pendle via two main roads, this ward contains Burnley General Hospital.

8.1.4 Queensgate's population is 5,691 (2011 census figures); the average age of residents is 38.7 years. There are slightly more residents aged 0-15 and 25-44 compared to most other wards.

8.1.5 71% of residents are white/white British.

8.1.6 55% of residents are employed, which compares with a borough wide employment rate of 58%. The increase in number of people claiming benefits in this ward is one of the lowest in Burnley when compared to other wards.

8.1.7 The proportion of terraced housing in Queensgate is high (25%). Detached houses and flats account for a relatively small proportion of all housing.

8.2 Why Propose Another Selective Licensing Designation Area?

8.2.1 The housing market in the Queensgate area started to show signs of low demand (with increasing void levels, increased levels of private rented properties, properties in poor housing conditions and higher social deprivation and increased crime) in the late 1990s.

8.2.2 Since July 2014 selective licensing has been part of the wider regeneration programme for the Queensgate area, supporting the physical regeneration by ensuring there is well managed private rented accommodation within the area. The designation area is beginning to show some signs of stability.

8.2 Tenure

Table 2 on page 15 of this document shows a comparison of the private rented sector in the Burnley wards. This shows that the Queensgate ward (25% private rented) ranks third in the Borough behind Bank Hall and Trinity with one in every 4 homes in Queensgate being in the private rented sector. Private rentals are further concentrated in the proposed designation area. Out of 1684 properties, 43% are currently privately rented (selective licensing figures May 2018).

8.3 House Prices

Table 7 on page 19 of this document shows that the average property prices for the Queensgate ward have fluctuated since March 2009, the highest price being £80,874 in March 2010 and the lowest being £46,233 in March 2013. Prices increased again in 2014 and have been more stable since this date up to 2017. Table 21 below shows that the average house prices within the designation area have increased steadily since the start of the designation area in July 2014. The number of sales has remained stable.

Table 21 Number of Sales & Average house prices for the Queensgate Designation Area from 2013/14 to 2016/17

Queensgate Designation Area	2013/2014	2014/2015	2015/2016	2016/2017
Number Sales	83	74	88	77
Average House Price	37498	38887	38670	42743

8.4 Empty Homes

8.4.1 At the start of the designation there were 232 empty properties within the proposed designation area. In 2017 there were 204 empty properties which is a reduction of 12%. The number of property sales and the reduction in empty properties shows that landlords are investing within the area. Through the Empty homes programme, 24 properties have been acquired and fully renovated in the Queensgate designation area. All properties have been sold on the open market or leased to a Registered Provider.

8.4.2 Most recently on the 5th September 2017, the Council instructed an estate agent to place a fully renovated property on Brennand Street on the open market for sale. The property received an offer for the full asking price within a couple of days. This shows that there is demand in the area for good quality accommodation.

8.4.3 In addition through the Empty homes programme, two painting schemes have taken place in the designation area; one on Brennand Street, aesthetically improving 79 properties and one to the backs of Heap Street, aesthetically improving 15 properties. The photographs below show an example of a block on Brennand Street before and after the painting scheme.



Photograph 1 Prior to the Brennand Street painting scheme.



Photograph 2 Upon completion of the Brennand Street painting scheme.

8.5 Anti-Social Behaviour

Table 14 on page 23 of this document shows that since the start of the designation, the number of incidents of anti-social behaviour with the designation area reported to the Council has reduced from 38 to 27. Table 22 below shows data from the Police Partnership Analyst in relation to incidents of anti-social behaviour reported to the Police within the designation area, which mirrors this improvement:

Table 22 Number of ASB reports to the Police for the Queensgate Designation Area

Date	Jan to Dec 13	Jan to Dec 14	Jan to Dec 15	Jan to Dec 16	Jan to Dec 17
No. Incidents	474	384	292	262	269

8.6 Environmental Crime

8.6.2 In 2014/2015 there were 419 reports of environmental crime within the designation area; by 2016/17 this had reduced to 298 (Table 16 on page 25)

8.7 Fuel poverty and Property Condition

8.7.1 Table 4 on page 16 of this document shows that within the Queensgate Ward, 6.9% of properties did not have central heating. This is the third highest ward for properties with no central heating. Since the start of the designation in Queensgate in July 2014, 736 Energy Performance Certificates (EPCs) have been received, 67 of which were lower than an E rating which is a poor energy efficiency. Through intervention from selective licensing, the landlords undertook the necessary steps and had a further EPC undertaken which resulted in only 12 dwellings having an EPC rating less than an E. All 12 dwellings have been inspected under the Council's housing disrepair functions to ensure any hazards of excess cold were addressed.

8.7.2 Since the start of the designation in July 2014, 312 inspections have been undertaken under the Council's housing disrepair functions. These inspections have ensured that the properties are free from hazards that could affect the health, safety or welfare of the occupiers.

8.7.3 The private rented sector within the designation area continues to be high, although it has not increased since the start of the designation area.

8.7.4 Although the designation area is showing signs of improvement particularly in relation to property condition, environmental crime, empty homes and house prices, these indicators of low demand are still more concentrated than the ward in which the designation is situated and significantly more so than the Borough.

Selective licensing remains an important component of the wider regeneration strategy and is the only option available to compel landlords to look at how they continue to manage their rented properties and where required, make improvements to management practices. It is important that investment aimed at improving the built environment of the area is supported by initiatives to ensure that effective management practices are operating for those properties in the private rented sector, and that the area is sustainable as a mixed tenure environment with a range of housing options.

9 OUTCOMES OF THE PROPOSED DESIGNATION AREA

- 9.1 Low demand in the proposed selective licensing areas is most clearly manifested in high vacancy rates, low property values, high numbers of private rented properties and poor property conditions. In addition there are high incidences of environmental crime and anti-social behaviour, which have a negative impact on demand within the area, further weakening the housing market.
- 9.2 Pockets of significantly high numbers of private rented properties in poor condition are exacerbating the problems of low demand through poor property management and poor housing conditions. Selective Licensing will help to address the problems associated with low demand by compelling those landlords that are not operating to minimum required standards to improve the management practices and the condition of their properties. This will improve the housing offer, which in turn will help improving the unpopular perspective that residents have of these neighbourhoods.
- 9.3 The Council are proposing to designate the Trinity, Gannow, Queensgate and Daneshouse and Stoneyholme areas for selective licensing on the grounds that the areas are experiencing low housing demand and in the case of Daneshouse and Stoneyholme poor property conditions.
- 9.4 The overall objective of the designation areas as part of a wider housing and economic development programme is to improve the social, economic and environmental conditions within the designation area. To achieve this within the designation area Burnley Borough Council aims to:
- a. Improve the management of the private rented sector;
 - b. Improve the condition of the private rented sector
 - c. Reduce anti-social behaviour
 - d. Reduce environmental crime
 - e. Bring empty homes back into use

10 OPTION APPRAISAL

10.1 The option appraisal below looks at other powers and projects that are available to the Council as an alternative to selective licensing to achieve the outcomes detailed in part 5 of this report. None are considered suitable in isolation in an area of intense low housing demand with significantly high levels of private rented properties and poor housing conditions. Selective licensing is required to raise standards in the private rented sector by compelling all landlords to engage with the Council and meet required standards. All other options considered below, with the exception of the private sector leasing scheme, operate within selective licensing designations to support the outcomes of the schemes.

Accreditation (GLAS)	Improves relationships between the Council, landlords and managing agents. Improves Management Standards. Improves Property Condition Promotes good practice Improves the reputation of the Private Rented Sector.	Voluntary so cannot compel landlords to join the scheme, nor improve property condition or standards of management.	The worst landlords will not join. Limited effect on a concentrated area as only the more motivated landlords will join.
Enforcement of Housing Standards	Legal requirement Improves property conditions.	Reactive rather than proactive. Relies upon the tenant complaining, some of whom may be too scared. Does not improve management practices.	Resource intensive.
Management Orders	Removes the property from an irresponsible landlord. Improves management standards. Is a forceful sanction for those landlords that do not comply with selective licensing.	Does not tackle poor management Techniques, therefore does not provide a long-term solution to unsatisfactory management practices. Intervention is as a last resort for a small number of properties.	Resource intensive. Relies upon an external company managing the properties.
Introduce a Private Sector Leasing Scheme	Contributes to homelessness prevention	Does not improve management standards of landlords who choose not to join the scheme. Reactive rather than proactive	Resource intensive. Relies upon an external company managing the properties. Companies do not come forward to run such a scheme.

Selective Licensing	Legal requirement	Maximum 5 years	Monitoring of the
	Improves Property Condition	Includes those landlords that already show responsible letting	scheme is extremely resource intensive on staff time
	Improves Property Management		Landlords may try and illegally evict tenants
	Promotes good practice		Landlords may try and avoid licensing
	Reduces levels of ASB		Landlords may leave the area creating more vacant properties.
	Area based		
	Administration of the scheme is self-financed		

10.2 Accreditation

- 10.2.1 Accreditation was first introduced in the 1990s, (mainly in university towns), as a mechanism for helping landlords or agents meet agreed standards of competence, skills and knowledge about the business of owning, managing or letting a private rented home.
- 10.2.2 Accreditation is supported nationwide by a wide range of stakeholders, including the Government, landlord associations, Local authorities, Shelter, the National Union of Students and the Chartered Institute of Environmental Health. It can aid the supply of good-quality, well-managed homes.
- 10.2.3 Burnley's accreditation scheme, The Good Landlord and Agent Scheme (GLAS), was launched in 2001 as a partnership between the Council, private rented sector landlords and managing agents who rent out properties in the Burnley area.
- 10.2.4 Through continued development of GLAS, more landlords and agents are encouraged to join the scheme and improve the condition and management of their properties. These improved conditions enhance the living conditions for tenants and residents living in Burnley. Currently there are over 385 landlords and 14 managing agents who are members of the scheme.
- 10.2.5 In July 2016, in partnership with the Private Rented Sector Forum the GLAS Code of Practice (Appendix 3) was revised and updated to take into account changes in legislation and best practice. The scheme now includes a gold standard and the audit of managing agent's procedures at their business address.
- 10.2.6 In addition, the Council operate a Private Rented Sector Forum which was established in June 2004. The Forum represents landlords, tenants, local communities and other voluntary and statutory agencies operating in the private rented sector and aims to improve standards across the sector by promoting best practice and raising the profile of responsible renting.
- 10.2.7 Landlord Evenings are organised through the Forum and are open to all landlords. Through these events the Forum seeks to update landlords on current issues in the private rented sector, improve relationships and strengthen partnership working and share good practice and experiences.
- 10.2.8 More recently with the introduction of Universal Credit, the Forum has been working with the Partnership Manager for the Department for Work and Pensions in the North West to run workshops for landlords. The aim of the workshops is to give landlords an

understanding of Universal Credit, what it means for their tenants and what they can do if the tenant falls into rent arrears when in receipt of Universal Credit.

10.2.9 Whilst the number of accredited landlords continues to grow in Burnley, our experience shows that generally accreditation attracts a limited number of landlords that in many cases already have appropriate management standards and are motivated to improve the standards and reputation of the private rented sector.

10.2.10 Whilst we see GLAS and the Private Rented Sector Forum as important schemes to work with landlords and improve standards, they do not have an intensive impact in any one area of the Borough, nor do they tackle the worst privately rented properties. Due to the voluntary nature of accreditation it does not compel the worst landlords to engage with the Council or join the scheme. Experience shows that it is resource intensive to encourage the poorer landlords to join accreditation. When landlords are asked to make improvements to meet the requirements of the scheme, many landlords fail to comply. This shows that accreditation cannot tackle the worst standards of property condition and management practices within the Borough.

10.3 Enforcement of Housing Standards

10.3.1 The Housing Act 2004 introduced the Housing Health and Safety Rating Scheme (HHSRS) which allows local authorities to inspect privately rented properties to ensure the condition does not have an adverse effect on the health, safety or welfare of tenants or visitors to a property. Where necessary, the Council will serve statutory enforcement notices to ensure the condition is improved.

10.3.2 The Council have received on average 296 complaints of disrepair a year. When the complaint is received the Council will undertake a HHSRS inspection to determine whether action needs to be taken. Whilst this approach does improve property conditions, it is sporadic across the Borough and does not have a concentrated impact in one area. In addition this power does not tackle property management standards. Through a selective licensing designation landlords will attend development days which cover all aspects of property management including property condition. Through training, advice and support landlords will recognise and learn what improvements need to be made to their properties, so reducing the need for action under the HHSRS.

10.3.3 In addition to enforcement action the Council will also undertake proactive property inspections in the designation area, offering advice and where necessary taking enforcement action to improve property conditions across the designation area. Improving property conditions will assist in retaining tenants and attracting occupants to the area and help address low demand.

10.4 Management Orders

10.4.1 Part 4 of the Housing Act 2004 introduced the use of Management Orders but advised that these orders should not be used if other enforcement options will remedy the problem. The general effect of a Management Order is that the Council takes control of the property, although legal ownership does not transfer from the landlord. There are two forms of Management Order, interim and final. Interim lasts for a period of 12 months, which can then be followed by a final Management Order that lasts for a maximum of 5 years.

10.4.2 Once a Management Order is in place the Council takes over the management of the property. The occupiers pay their rent to the Council and any repair costs such as routine

repairs or building insurance are taken from the rent before any surplus is given to the owner (landlord).

10.4.3 This power only deals with individual properties and is resource intensive, especially as the Council no longer manages any stock of its own. In some cases even retention of the full rental income may not be adequate to properly maintain and manage the property, in which case additional costs would end up being borne by the Council.

10.4.4 This approach does not present a long-term solution to address poor management of privately rented stock, as ultimately the property is returned to the owner who may not necessarily have improved their management standards during the period of the order.

10.4.5 The Council has made five interim and one final management order, and will continue to use Management Orders in conjunction with Selective Licensing as a last resort to deal with landlords who fail to comply with selective licensing and improve their management standards.

10.5 A Private Sector Leasing Scheme

10.5.1 A Private Sector Leasing Scheme is where the council takes out a lease, normally 3 to 5 years in duration, from a private owner or landlord on their property. The council then uses the property to provide affordable accommodation.

10.5.2 There is no guarantee that landlords, especially the worst, will join the scheme and the Council cannot compel them to do so. As with Management Orders the scheme does not address poor management practices as the landlord does not necessarily gain experience, advice or training during the lease and when the property is returned to the control of the owner, the management standards can once again be unsatisfactory.

10.6 Landlord Development Days

10.6.1 Since 2014 the Council have held landlord development days for accredited landlords and landlords operating in the selective licensing areas. To date over 300 landlords have attended. More recently the training offers have evolved to include training specifically for Managing Agents and training on how to address anti-social behaviour. The training is currently delivered by the Residential Landlords Association and covers all aspects of property letting. While the training compliments selective licensing by giving landlords the knowledge to improve property management, the Council cannot compel landlords to attend nor does it guarantee an improvement in management practices if the landlord is not willing to apply the learning.

10.7 The Empty Homes Programme

10.7.1 Tackling empty homes has been an intrinsic part of the Council's wider housing strategy to address low demand for many years and is highlighted as a key priority in the Housing Strategy 2016 to 2021. The Council's Empty homes programme has been in operation for over a decade and seeks to acquire long term empty homes, which are then renovated and resold with the aim of improving residential amenity, boosting the local economy and making a positive contribution to the wider community. This programme has been very successful and is now utilising the Council's own capital receipts generated through the re-sale of renovated empty properties. This programme works very closely with the current selective licensing designations to address particular long term problem empty homes and

helps promote investment in these areas making them more attractive areas in which to live and work.

- 10.8 Through the option appraisal, it is considered that none of the achievable courses of action would be sufficient in isolation to have the desired impact in areas of intense low demand that have significantly high levels of private rented sector properties in poor condition. It is considered that selective licensing is required to compel all landlords to engage with the Council to ensure they meet the minimum required standards or, if they fail to do so, face prosecution, civil penalties and the use of management orders.
- 10.9 Other initiatives such as accreditation (GLAS) support the reputable landlords operating in the borough and the enforcement of housing standards will improve the housing condition within the sector, but it is considered that selective licensing will contribute to a more sophisticated and complete approach to tackling particular areas of low demand and poor property conditions. By improving the management of tenancies and properties within the private rented sector, selective licensing can contribute to a wider programme of regeneration to help reduce empty properties, improve property condition, reduce anti-social behaviour and improve the neighbourhoods for residents and businesses.

11 HOW DOES SELECTIVE LICENSING SUPPORT THE COUNCIL'S HOUSING STRATEGY?

11.1 This section demonstrates how the proposed Selective Licensing designation is consistent with the overall housing strategy for the borough and will form part of a wider strategic framework for improving housing across Burnley.

11.1.1 Burnley's Housing Strategy 2016 to 2021 is a five year plan which sets out our ambitions for improving housing across the borough over the next five years. This strategy will set out where we will focus our energy and resources and how we will achieve our priorities.

11.1.2 Housing is crucial to our growing economy, creating jobs and wealth for our residents and above all supporting our schools to continue to improve the educational attainment of our pupils.

11.1.3 Selective licensing is a key priority and included in Aim 2 of the strategy;

"To deliver transformational improvement of the private rented sector"

11.1.4 The Council fully acknowledge the benefits of private rented housing in creating choice and variety in Burnley's housing market, with The Good Landlord and Agent Scheme and the Private Rented Sector Forum seen as important schemes to create closer working relationships and improve standards. However, experience has shown that they attract a limited number of landlords that in many instances already provide appropriate management standards. The voluntary nature of accreditation does not compel the worst landlords to engage with the Council or join the scheme. It is also recognised that accreditation does not have an intensive impact in any one area and does not tackle the worst properties or management practices within the Borough. Selective licensing compels landlords to engage with the Council and improve their management practices.

11.2 Prevention of Homelessness Strategy

11.2.1 Burnley Borough Council's Homelessness Strategy has five central aims that are supported by Selective Licensing,

1. Prevent homelessness
2. Develop multi agency working to minimise the effects of homelessness
3. Meet Government targets on rough sleeping, use of Bed and Breakfast and temporary accommodation
4. Provide a Safety Net of Accommodation and Support
5. Monitor changing needs and performance

11.2.2 The Council are clear that the private rented sector has a central role to play in meeting housing need across the borough. As owner occupation becomes increasingly difficult to achieve, it is not an option or indeed the choice for everyone. As we see a significant rise in the number of households choosing to rent privately from 9.26% in 2001 to 19.4% in 2011 (Census 2001 & 2011) it is crucial that this sector can offer a decent alternative to owner occupation or social rented housing.

11.2.3 The private rented sector also makes a significant contribution to meeting the housing needs of vulnerable people, and in many cases has prevented homelessness and minimised the use of temporary accommodation. The Council continue to work in partnership with the private rented sector. Selective Licensing will strengthen this partnership by increasing the number of landlords working with the Council with well-managed, good quality accommodation.

11.2.4 The Council offer advice and assistance to homeless households together with a number of measures to prevent homelessness. The Private Sector Bond Scheme is available to households who cannot afford to pay cash bonds for private rented accommodation and through Selective Licensing the Council can be confident that residents have access to well managed accommodation that will meet the minimum standards required.

11.2.5 By strengthening the partnership between landlords and the Council, both Accreditation and Selective Licensing can contribute to the prevention of homelessness through effective tenancy management that minimises anti-social behaviour, tackles rent payment issues in a timely and constructive manner and offers a housing option for some of the most vulnerable households in need of a home.

11.2.6 Officers from the homelessness team and selective licensing work together to tackle illegal evictions in the selective licensing areas, help support tenants to prevent homelessness and assist with the rehousing of tenants where their current housing conditions are so poor that to remain in that house would present a serious risk of harm.

12. SUPPORTING AND COMPLIMENTARY ACTIVITY

12.1 As detailed in this report Burnley has low housing demand which is manifested in inner urban areas such as the proposed designation areas. Selective licensing in isolation will not tackle this low demand. There are many local and wider economic factors which influence house price and sales such as employment levels, population size and profile, land availability and household size. Other macro-economic factors such as mortgage availability, interest rates, government incentives and tax regimes, will also significantly influence house prices and sales trends. Selective licensing cannot influence these factors.

12.1.1 However within these low demand areas, there are significantly high numbers of private rented properties which are not operating to a required standard. This exacerbates the problems of low demand and further deters people from moving into, or remaining in these neighbourhoods. Selective Licensing will help to address the problems associated with low demand by compelling those landlords that are not operating to minimum required standards to improve the management practices and the condition of their properties. This will improve the housing offer which in turn will help improving the unpopular perspective that residents have of these neighbourhoods.

12.1.2 Selective licensing is one aspect of a wider economic, social, environmental and housing regeneration strategy that includes multiple initiatives.

12.2 Social and Economic Regeneration Activity

12.2.1 Burnley's Future 2017 to 2020 is the community strategy for the Borough. This document helps ensure that the Council has a clear vision for the future under the key priorities of:

- a) **Prosperity** - This explains how the Council and our partners will grow the borough's economy. It is the partnership's top priority and underpins all efforts to improve quality of life in the borough.
- b) **People** - This explains how the Council and our partners will help people lead healthier lives and how we will help the next generation realise their potential.
- c) **Places** - This explains how the Council and our partners will improve housing and make the neighbourhoods in our borough cleaner, greener and safer.
- d) **Performance** – This explains how the Council and our partners will deliver our priorities efficiently with services that offer value for money.

12.2.2 Improving conditions within the private rented sector is one of the key actions of the strategy. Selective licensing is an integral part of this action.

12.3 Empty Homes Programme

12.3.1 Aim 3 of the Housing Strategy is to reduce the proportion of empty homes in the borough. A concentration of empty homes is the most visible sign of a poorly performing housing market. The properties are often in poor condition which affects the appearance of an area and has a negative impact on the residents. They also attract anti-social behaviour, fly tipping and vandalism, which all contribute to creating unpopular neighbourhoods. Empty homes are also a wasted resource and can, if dealt with effectively, provide affordable housing for both rental and owner occupation. Burnley has an excellent record of effective intervention and innovation in tackling empty homes and has run an Empty Homes Programme since 2002.

12.3.2 The Empty Homes Programme started in 2002 funded through the Council's capital programme. The programme is borough wide and works with owners to encourage and support them to return their properties back in to use. The Council also utilise capital resources to acquire properties, refurbish them to modern standards and return them back in to use through sale on the open market. The scheme remains a priority for the Council and continues to evolve over time to include more initiatives to maximise the impact on bringing empty homes back in to use.

12.3.3 The Empty Homes Clusters Programme ran from 2013 to 2015 when Burnley was awarded £3.5 million through the Government's clusters of empty homes programme to tackle concentrated empty properties in three neighbourhoods across the Borough, Gannow, Queensgate and Trinity. This programme returned 223 properties back into use against a target of 175 utilising purchase and refurbishment, loans to landlords and an empty homes leasing scheme with our partner Calico Homes.

12.3.4 To support the work of the clusters programme two neighbourhood improvement schemes were carried out with key streets targeted for aesthetic improvements that included painting, new rain water goods and repair work to garden walls.

12.3.5 In April 2017, the Council committed a further £2.4 million to the Empty Homes Programme to operate borough wide bringing a minimum of 40 empty homes back into use through Council intervention each year, and to acquire and renovate 30 empty properties over the three year capital programme up to March 2018. The Empty Homes Programme included the following initiatives:

- Encouraging owners to bring their empty homes back into use through advice and persuasion.
- Interest free empty homes loans, which are restricted to the selective licensing areas and enable landlords to access a maximum of £20,000 interest free and repayable over 10 years by monthly direct debit instalments. The criteria attached to the loan include a standard of property condition stipulated by the council.
- The payment of the landlord's selective licensing fee if a landlord returns an empty home back into use under the criteria specified by the council.
- A council tax rebate for up to 6 months if an empty home is returned back into use under the criteria specified by the Council.
- Acquisition by agreement or through compulsory purchase of empty homes, which are then refurbished and sold on the open market. Receipts from the sale of these properties are re-cycled back into the programme to the acquisition of further empty homes.
- A successful empty homes leasing scheme with Calico Homes Limited. The scheme helps to ensure that empty homes compulsorily purchased by the council on streets in lower housing demand are brought back into use as good quality, well managed affordable homes. A Registered Provider presence in these areas of low demand helps to improve the overall management of the housing stock within those streets and provide additional support for the community.
- Environmental Improvement Schemes – Painting the external elevations of properties, re-pointing and new guttering to improve the aesthetic appearance of terraced blocks to facilitate further investment.

12.4 Housing Enforcement and Proactive Inspections

12.4.1 Selective licensing does not require an inspection of every property; however the Council aims to ensure that landlords who provide accommodation do so to at least the minimum legal requirement. In the current selective licensing areas, a programme of proactive inspections is being undertaken by the housing standards team and this will be replicated in any future designations. Any complaints of disrepair by tenants within the selective licensing team are addressed by the housing standards team.

12.4.2 The Housing Standards Team will also work with the selective licensing team to advise on and enforce the new regulations in relation to smoke and carbon monoxide detection.

They will also use penalty notices where a managing or letting agency is not a member of a Redress Scheme.

12.5 Accreditation, Training and Development

12.5.1 The proposed fee structure includes a 30% reduction on selective licensing fees for those landlords that become accredited through the Good Landlord and Agent Scheme (GLAS) before a designation comes into force. This encourages further membership of the voluntary scheme, which improves the management and condition of the private rented properties through landlords adhering to the Code of Practice.

12.5.2 Training and Development Days will continue for licensed and accredited landlords and managing agents, improving knowledge and understanding of their legal responsibilities and best practice, as well as advising them where they can go to receive further advice and support. Through increased knowledge management practices and property condition will improve within the private rented sector.

12.6 Crime and Anti-Social Behaviour

12.6.1 In Lancashire each local Council is required by law to work together in partnership with Lancashire Police Constabulary, Police Authority, Fire and Rescue Service, Primary Care Trusts and Probation Trust. These partnerships are called Community Safety Partnerships and they are responsible for working together to reduce crime and disorder, anti-social behaviour, substance misuse and re-offending. The partnership has identified the following community safety priorities across Lancashire for 2017-2018,

- a) Anti-Social Behaviour
- b) Child Sexual Exploitation
- c) Domestic Abuse
- d) Road Safety

12.6.2 The Council's Community Safety Team takes a lead role in meeting the priorities and actions of the Community Safety Agreement. The team help all Council departments to deliver Community Safety and Crime Prevention initiatives. The team co-ordinates and support Burnley's Community Safety Partnership, including the development and management of the Community Safety Partnership Strategy and the promotion and organisation of work with other agencies to develop community safety initiatives through Burnley's Multi Agency Tasking and Coordinating meeting (MATAC)

12.6.3 Local residents groups, community venues and selective licensing surgeries attended by the local police and other partner agencies are used to liaise with the community, to consider concerns and reports of ASB.

12.6.4 Selective licensing forms part of these partnerships which act to co-ordinate actions and responses from a wide range of partner agencies, such as Police, Sure Start, Streetscene, adult and social care, and landlords and residents.

12.7 Environmental Crime

12.7.1 The Council's Streetscene Unit are responsible for investigating fly tipping and dog fouling incidents, and take the appropriate action through the courts when evidence is found. The Council has a statutory duty to keep the streets clean so any side-waste

presented on collection day is left for a Council Officer to investigate, before being removed by a Street Cleansing Operative.

12.7.2 Selective licensing supports this work by ensuring landlords are aware if they have a dirty back yard, and if it is caused by the tenant that they are using the clauses within the tenancy agreement and management procedures to ensure the tenant clears that dirty back yard.

12.7.3 In the current selective licensing schemes Streetscene are piloting an initiative of providing higher back yard gates and rebuilding dilapidated yard walls to properties that are continually targeted for fly-tipping. The aim of this pilot is to reduce incidents of fly-tipping to that property.

12.8 New Housing

12.8.1 The area of Daneshouse has received millions of pounds of regeneration investment through funding projects such as the Single Regeneration Budget and the Housing Market Renewal Pathfinder. This regeneration included large scale clearance, face-lifting and a programme of ongoing new build. 189 new homes have been built on the former cleared housing sites in Daneshouse with a further 160 proposed. These parts of the neighbourhood have been transformed into popular areas where people choose to live, offering a range of family housing with affordable options for first time buyers.

12.8.2 This is also true of Trinity, the largest registered provider in Burnley; Calico has built 53 houses and 45 supported-living units. A private partner developer has built 180 houses with a further projected build of 77.

13. ADMINISTRATION OF THE DESIGNATION AREA

13.1 This section explains how the Council will implement and administer the scheme, if approved by the Secretary of State.

13.1.2 Should the designation be granted it will come into force no sooner than three months from the end date of the previous designation. Once the designation is in force, all landlords operating within the designation will be required to apply for a licence for each house that is rented out.

13.1.3 The Council cannot require licensing of houses that have been made exempt under the Selective Licensing of Houses (Specified Exemptions) (England) Order 2006 (such as business tenancies, tenancies with a term over 21 years etc.), or property that is subject to a tenancy or licence granted by a body which is registered as a social landlord under Part 1 of the Housing Act 1996.

13.2 Fees

13.2.1 Part 3 of the Housing Act 2004 outlines that the Local Authority may require the application to be accompanied by a fee fixed by the Authority.

13.2.2 The Authority is not permitted to make a profit from the introduction of a Selective Licensing programme and any surplus must be ring-fenced for use on the scheme. The fees should,

however, take account of all administrative costs incurred in carrying out all duties under this part of the Housing Act 2004.

13.2.3 The fee covers a five year selective licensing designation. The lowest fee payable would be for a landlord that is an existing licensed and accredited landlord and for one house this fee would be £369. The full Fees and Charging Structure is attached as Appendix 4 to this document.

12.2.4 The fee may be paid by direct debit usually over a 2 year period.

13.2.5 All fees will be calculated based on the staff needed to cover the processing of the estimated number of applications and the monitoring and development of the scheme. Costing estimates for the scheme include salaries and on costs and all anticipated non-salary revenue spending e.g. printing costs, legal fees.

13.2.6 It is proposed that the fee structure will be reviewed annually.

13.3 Fit and Proper Person Criteria

9.3.1 As part of the application process, proposed licence holders and managers will be required to provide information to demonstrate that they are “fit and proper persons” and that they have satisfactory management arrangements in place, including dealing with anti-social behaviour.

13.3.2 In circumstances where the Council are not satisfied that the licence holder or manager is a “fit and proper person”, and /or the management arrangements are unsatisfactory, then it can refuse to grant a licence.

13.3.2 Should any person be found to have a criminal record, the information and any other relevant information will be considered by the Council and a decision will be taken as to whether the persons involved are reasonably considered to be a “fit and proper person”. The existence of a criminal record does not automatically bar a person from being licensed. In considering whether someone is ‘fit and proper’ the Council can also take into account any person associated with the applicant who is affected by the above mentioned issues (Sec.89 Housing Act 2004). The Council is also free to consider any other information it has at its disposal with regards to the persons named in the application. Such information must however be factual and backed by evidence. Rumour and supposition will not be used to judge applications

13.4 Licence Conditions

13.4.1 As part of the licensing requirements all licence holders will be required to comply with various licensing conditions. The following conditions are mandatorily imposed by the Housing Act 2004 and the Council has no discretion to vary these conditions:

- a) A gas safety certificate must be obtained annually and produced to the Council (if there is a gas supply to the house),
- b) Electrical appliances and furniture supplied by the landlord must be kept in a safe condition, and that on demand, the licence holder must supply the Council with a declaration as to the safety of such appliances and furniture,

- c) Smoke alarms must be installed on each storey of the house on which there is a room used wholly or partly as living accommodation. The smoke alarm(s) should be maintained in proper working order, and on demand, the licence holder must supply the Council with a declaration as to the condition and positioning of such alarms,
- d) The licence holder must supply the occupiers of the house with a written statement on the terms of occupation,
- e) The licence holder must demand references from persons who wish to occupy the house,
- f) Carbon monoxide alarms must be installed in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance. The carbon monoxide alarm(s) should be maintained in proper working order, and on demand, the licence holder must supply the Council with a declaration as to the condition and positioning of such alarms.

13.4.2 In addition to the above mandatory conditions the Council may attach local conditions to licences.

14 LEVEL OF COMPLIANCE WITH CURRENT SELECTIVE LICENSING AREAS

14.1 There are currently six selective licensing designation areas in operation in the Borough. The table below shows the level of compliance within these areas as of the 15th January 2019. It is estimated that 94-99% of properties that are required to have a licence have a licence in place.

Table 23 Level of compliance with current selective licensing areas 15/01/2019

	Designation start date	Estimated No. licensable properties start of Designation	Current No. Licensable properties	Total No. applications received	Total No. applications received & complete	Total No. properties no application received	% Compliance	Licences Granted	Licences Proposed Refusal	Licences Refused
Trinity	Jan-14	600	582	824	792	11	98%	741	35	17
Gannow	Jul-14	253	419	557	541	10	98%	514	6	2
Queensgate	Jul-14	747	676	920	830	28	96%	771	65	22
Burnley Wood with Healey Wood	Nov-16	414	560	675	543	35	94%	457	13	7
Leyland	Nov-16	310	353	441	372	7	98%	351	16	14
Ingham & Lawrence	Nov-16	55	84	99	91	1	99%	88	0	0
Total		2379	2673	3516	3169	95		2922	135	62

14.2 The Council has taken a supportive role with landlords in helping them obtain licences and therefore meet the required conditions, rather than immediately pursuing enforcement action. The Gannow and Queensgate designations come to an end in July 2019, whilst Trinity ended in January 2019. 49 of the properties in these areas (3% of those required to be licensed) have to date not applied to the Council for a licence. The Burnley Wood with Healey Wood, Leyland Road and Ingham and Lawrence designations are in their third year,

with 43 outstanding applications (4% of those required to be licensed). Officers are currently pursuing those landlords and/ or managing agents that have not applied for a licence.

- 14.3 At the time of writing, 26 landlords representing 41 properties have been successfully prosecuted for failure to apply for a licence. 5 landlords representing 7 properties have received civil penalty notices totalling £75,000. 18 Rent Repayment Orders have been made and upheld by the Residential Property Tribunal.
- 14.4 To date, the Council have made one Interim Management Order in the Trinity selective licensing designation area as there was no prospect of the property becoming licensed and it was necessary to protect the health, safety and welfare of the tenants due to extreme damp and mould within the property. The Council have taken remedial work to remove several hazards within the property including the damp and mould. The cost of this remedial work will be recovered from the rent received for the property.
- 14.5 In relation to the potential breaches of licence conditions officers will work with landlords to ensure problems are addressed without the need for enforcement action. The table below shows the levels of intervention that has been taken in the licensing areas to prevent breaches of licence conditions:

Table 24 Informal intervention to prevent breaches of licensing conditions

Intervention	Trinity	Gannow	Queensgate
No. Reference Requests	346	112	310
No. correspondence sent regarding dirty back yards	129	85	378
No. Meetings with licence holders/tenants to resolve potential breaches including ASB	38	16	28

Risk Assessment

- 15.1 There are risks and limitations attached to a selective licensing designation. The main risks that have been considered are:
- 15.2 That rogue or criminal landlords relocate to neighbouring areas and continue to manage their properties in an unsatisfactory manner.
- If the proposed designation areas are introduced, the main low demand areas within the Borough will be covered by selective licensing preventing those landlords moving to avoid a scheme. It is unlikely that they will move to higher demand areas as the house prices are higher with less property availability.
 - In the current selective licensing designations, landlords who have been refused licences have sold the properties, which have then been acquired by a responsible landlord.
 - There will be monitoring procedures in place to determine whether rogue landlords locate to another area of the Borough.
 - The enforcement of housing conditions will continue to operate across the Borough.
- 15.3 Rogue or criminal landlords continue to operate without a licence.
- The area is monitored intensively through a range of data sources, including housing benefit, council tax and visual audits.

- In the current selective licensing areas there is a robust enforcement policy in place which includes prosecutions, management orders, rent repayment orders and Civil Penalty Notices. This will be replicated in any future designation.

15.4 Landlords unlawfully evict tenants to avoid licensing.

- This has not been experienced in the current selective licensing areas.
- Having an empty property attracts higher Council Tax bills and the risk that the property will be vandalised.
- The licensing team and the housing needs team will ensure tenants are aware of their legal rights through advice and publicity.
- The threat or action of an illegal eviction will be investigated through partnership work with the council's homelessness team.

15.5 Tenants who have been evicted because of continued anti-social behaviour or criminal behaviour are rehoused in an adjacent street or move to a neighbouring area.

- In the majority of cases early intervention by the selective licensing team, the Council's Streetscene department and the Police will address the anti-social behaviour without the need for eviction.
- If an extreme case occurs where the tenant has been evicted and then rehoused by another landlord in the same area, the situation will be identified through the monitoring of the area and then if required, enforcement action will be taken against the landlord if they have not undertaken satisfactory referencing.
- If the tenant starts to display the same behaviour at the new house, action will be taken in partnership with other services that will include the consideration of an anti-social behaviour order banning them from the area. This risk has occurred in a small number of cases and options for dealing with this are being investigated, including possible legal action to exclude such tenants from a particular selective licensing area. A general condition not to cause harassment, alarm or distress that would cover any property the person may move to, regardless of area, within the borough, may also be sought.

16 CONSULTATION METHODOLOGY

16.1 Before a new designation can be approved, it is a legal requirement for any authority considering the introduction of selective licensing to undertake consultation for a period of not less than 10 weeks. Guidance from the Department for Communities and Local Government (March 2015) states that when considering whether to designate an area the local housing authority must:

- a. Take reasonable steps to consult persons who are likely to be affected by the designation, and,
- b. Consider any representations made in accordance with the consultation.

16.1.2 Should the Council's Executive decide to approve the proposed designation areas, the Authority would be required to obtain further confirmation from the Secretary of State. The consultation exercise for the proposed areas of Trinity, Gannow, Queensgate, Daneshouse and Stoneyholme took place from the 3rd September 2018 to 16th November 2018.

16.2 Letters to all Interest holders

16.2.1 The Council wrote to all those holding an interest in all properties within the proposed designation areas. This included landlords, managing agents, residents (both within, and bordering the proposed area boundaries), and all businesses operating within them, regarding the proposals to introduce selective licensing. The letters directed all recipients to the Council's website for further information, where they could also view proposal documents, including the council's reasons for proposing the area, copies of the proposed licence conditions, proposed fit and proper person criteria and management standards, proposed fee structure, lists of streets covered and frequently asked questions. In addition, the letters included a link to the online version of the questionnaires for the proposed area, and information regarding the landlord drop-in sessions and evenings which were held during the consultation period. Contact details for the selective licensing team were also included on the letter for recipients to make queries/representations, or to request paper copies of the questionnaire.

16.3 Questionnaires

16.3.1 Questionnaires were hand delivered to every property within the proposed designation area, as well as the areas immediately surrounding these boundaries. It asked for their thoughts on the proposed scheme and whether or not they agreed with the proposals. The questionnaires gave details of the locations and times of the arranged resident drop-in events for the areas, along with contact details for Council officers. Paper copies were also available to complete at all consultation events. Reminders were subsequently sent to all recipients with details of the deadline for completing questionnaires and making representations for consideration.

16.4 Drop-in Sessions

16.4.1 Two resident drop-in sessions were held in each of the proposed areas over the course of the consultation period. Venues were selected within the proposed designation areas, or in their immediate vicinity, to ensure they were accessible and convenient for all wishing to attend.

16.5 Landlord Evenings

16.5.1 Two landlord evenings were held on the 2nd October and 12th November 2018 to discuss the proposals in a more formal setting. The events were open to landlords who had reserved a place with a total maximum capacity of 80 for both events. These evening events lasted for two hours and consisted of a presentation from officers followed by 'round table' and open discussions surrounding selective licensing and feedback from landlords regarding the proposals. 63 landlords attended in total.

16.6 Private Rented Sector Forum

16.6.1 A meeting of the Private Rented Sector Forum (PRSF) on the 6th September 2018 to discuss the proposals. The meeting was attended by council officers and members of the forum, the majority of whom are managing agents and/or landlords, and a tenant representative. As well as discussing the proposals and making representations, the meeting provided an opportunity for members to discuss the proposed boundaries, drawing on their experience of managing property in the proposed designation areas. Members

advised that they believed that the Trinity area had improved since Selective Licensing started; generally there were better tenants and property conditions.

16.7 Registered Social Landlords

16.7.1 Registered Social Landlords operating in the borough were contacted to inform them of the proposed schemes, and ask for feedback on the proposals. They were also asked for their views on whether or not they believe the scheme would support their own strategic objectives and business activities. No responses were received.

16.8 Other key partners

The Citizens Advice Bureau, the Credit Union, the Borough's Lead Housing Developers and four neighbouring local authorities were contacted detailing the Council's proposals. One response was received from Blackburn with Darwen Council on the 23rd October 2018.

"I feel it is really important to build on the results so far. We have found that moving away from previously licensed areas does not mean that the improvements are sustained in low demand areas. When we re-declared selective licensing areas it was evident that gas safe records had rarely been carried out while they were not being checked by the Council. Five years is insufficient time to have a real impact in these areas".

16.9 MP & Local Councillors

We also consulted with the Member of Parliament for Burnley and local councillors during the consultation process through and information briefing note. In addition ward councillors affected by the proposals were invited to a presentation.

16.10 Police

Information was sent to the Inspector of Burnley Police Station and through the established PACT meeting, Officers spoke to the Neighbourhood Police Officers.

16.11 Landlord Associations

We also consulted with both the National and Residential Landlords Association; meetings were held with both organisations.

16.12 Accessibility of Consultation

16.12.1 Information provided to stakeholders was clear and concise. A frequently asked questions document was collated, to enable stakeholders to gain a better understanding of the proposed scheme and its impact. Council officers were available each day by phone and email for those who had further queries.

16.12.2 The questionnaires contained the key reasons the authority wishes to introduce the scheme in the proposed areas. This was expanded on further in the proposal document which was available to view online throughout the consultation (paper copies were available on request). This document laid out the reasons for wanting to introduce the scheme based on statistical evidence for low demand and poor property conditions.

16.12.3 All written and verbal representations have been given full consideration. All questions and concerns about the proposals were responded to in writing. Where no contact details were provided a response has been given in the transcripts which accompany this document. Full transcripts of representations made during the consultation period are publicly available to view on the council’s website. Summaries of responses received for each proposed area have also been included.

16.13. Publicity / Communication

16.3.1 The consultation was advertised on the council’s website along with links to the proposal document, proposed area maps, FAQs, proposed fee structure and links to online questionnaires for each area. In addition to the questionnaires which were delivered to every household in the wider consultation boundary, the council widely publicised the consultation, drop-in sessions and landlord evenings using various methods of communication including press releases to local newspapers and social media. Reminder leaflets were also distributed to all households and posters erected in public areas. Letters were sent to all landlords known to be operating in the proposed areas, and further reminders sent to landlords with housing benefit payment schedules. Full details of how the consultation was publicised can be viewed in the chronology below.

16.3.2 Officers were available to discuss the proposals and answer queries by email and phone; these details were included in all publicity articles and were also listed on the questionnaires and website. Full details of all responses provided can be found in the transcripts for each individual area.

16.14 Analysis

16.14.1 All completed questionnaires (paper and online) were statistically analysed. All written comments or queries received as part of the questionnaires, or by post/email were placed into a transcript relating to each area and responded to by officers where required. Comments from drop-in sessions and meetings with landlords were also added to the relevant transcript, considered, and responded to where necessary.

17. Results of the Consultation

17.1 Across All Areas:

17.1.1 Looking at all four areas that have been proposed for selective licensing, 338 responses were received. This is a reduction in responses when compared to previous consultation exercises in relation to selective licensing. Out of the 338 responses, the majority agreed with the Council’s proposals to introduce selective licensing.

Table 25: Summary of the results across the four areas.

	No. Responses	Agree	Disagree
Trinity	106	70 (66%)	36 (34%)
Gannow	65	38 (58%)	27 (42%)

Queensgate	83	52 (63%)	31 (37%)
Daneshouse and Stoneyholme	84	31 (37%)	53 (63%)
Total	338	191 (57%)	147 (43%)

17.1.2 The main reasons why landlords disagree with the proposals are:

a) The cost of the licence fee is too high

The licence fee covers the administration of the scheme. For a landlord with one property who is accredited with the Good Landlord and Agent Scheme who submits the application within three months of the selective licensing scheme coming into force the fee is £425 payable over a 2 year period by direct debit (£17.70 per month). This is comparable and in some cases cheaper than other local authorities operating selective licensing. The fee increases if a landlord is not accredited and the application is not received within the first three months of the designation area coming into force. The maximum fee for a landlord with one property in this case is £750.

b) Good landlords are penalised for the behaviour of poor landlords;

The scheme should not penalise good landlords/only target bad landlords;
 Selective licensing is part of a wider regeneration programme with the aim of attracting people to live in the borough and encouraging businesses to invest in Burnley. A poor private rented sector detracts from this aspiration and deters people from living or remaining in a neighbourhood. Although there are many good, responsible landlords, the reputation of the private rented sector in Burnley is one of poor quality with poor management practices. Working with landlords, tenants and managing agents we want to improve the sector and the reputation so it is tenure of choice. We try to do this through landlord evenings, forums and the accreditation scheme, but experience has shown that many landlords will not engage through these methods.

Selective Licensing is a way of compelling landlords to engage with the Council and to have appropriate management standards to take action where breaches occur in tenancy agreements before they start to affect the wider community. The legislation does not facilitate the targeting of “bad” landlords only; it is based on an area and any landlord operating within that area then has to apply for a licence. To recognise that there are good landlords already operating in the areas there is a 30% discount to the selective licensing fee for those landlords that are accredited through the Good Landlord and Agent Scheme (GLAS).

c) Selective licensing has not improved things.

Through a coordinated approach, including selective licensing there is an improving picture in relation to low housing demand;

- In the Trinity, Gannow and Queensgate selective licensing areas average house prices have risen since the start of the designations.
- The number of empty properties in Trinity has reduced significantly since the start of the second designation area.
- The Gannow and Queensgate designation areas have seen a marginal reduction in empty properties.
- Since 2013/14 the number of disrepair cases reported to the Council in the Wards of Trinity, Gannow and Queensgate have decreased.
- Since 2014/15 the number of reported incidents to the Council about anti-social behaviour has reduced in the Trinity, Gannow and Queensgate designation areas.

- Since the start of the designation areas in Gannow and Queensgate the number of reported incidents of anti-social behaviour to the Police have reduced in the actual designation areas.
- Since 2014/15 the number of reported incidents to the Council about environmental crime has reduced.
- In total, 2040 property inspections have been conducted in all Selective Licensing areas, including within the proposed designation area for Stoneyholme and Daneshouse.
- Between June 2017 and January 2019 there were 191 Landlords and Managing Agents that attended a Development Day.

17.1.3 The main concerns raised by residents were:

a) It puts good landlord off investing

House sales show that landlords are still investing in the selective licensing areas. Empty homes loans are also being approved to accredited landlords within the designation areas. This evidence would not be seen if landlords were not investing.

b) It's a money making exercise by the council;

All the monies received from the fee are used to administer the selective licensing schemes. The Council are not permitted to make a profit from such schemes. The council would not continue with the schemes if there were not having a positive impact on improving neighbourhoods especially in relation to the management and conditions within the private rented sector.

c) Rents will increase.

The majority of tenants living in the proposed selective licensing areas are in receipt of local housing allowance and the majority of landlords charge this rate for rent levels. There is no evidence that rent levels have increased.

17.2 Trinity

The following graphs and tables show the breakdown of responses to the consultation regarding Selective Licensing in the Trinity area. The questionnaire followed the same format and 92 responses were received. The detailed representations and council responses are detailed in appendix 5 to this report.

Figure 6 below displays the individual responses to the Council's proposals to reintroduce Selective Licensing in the Trinity area. Of the 92 responses, 59 (64%) were in agreement and 33 (36%) disagreed with the proposal.

Figure 6

Agree or Disagree with Trinity's proposal for Selective Licensing

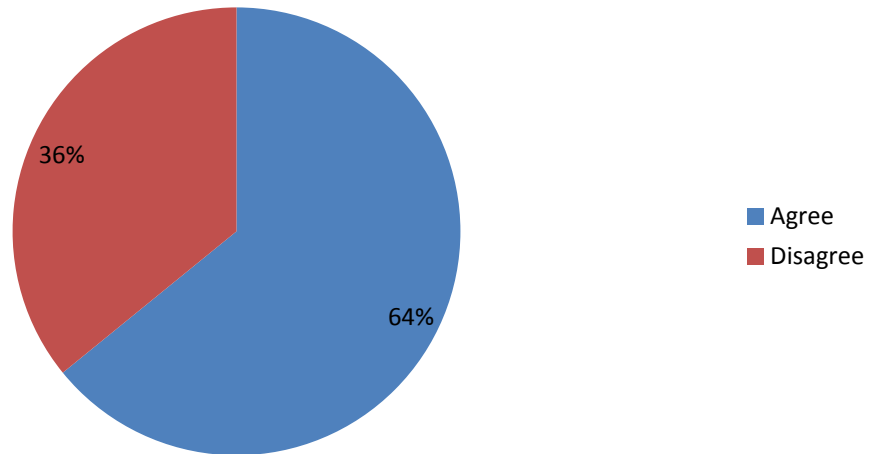


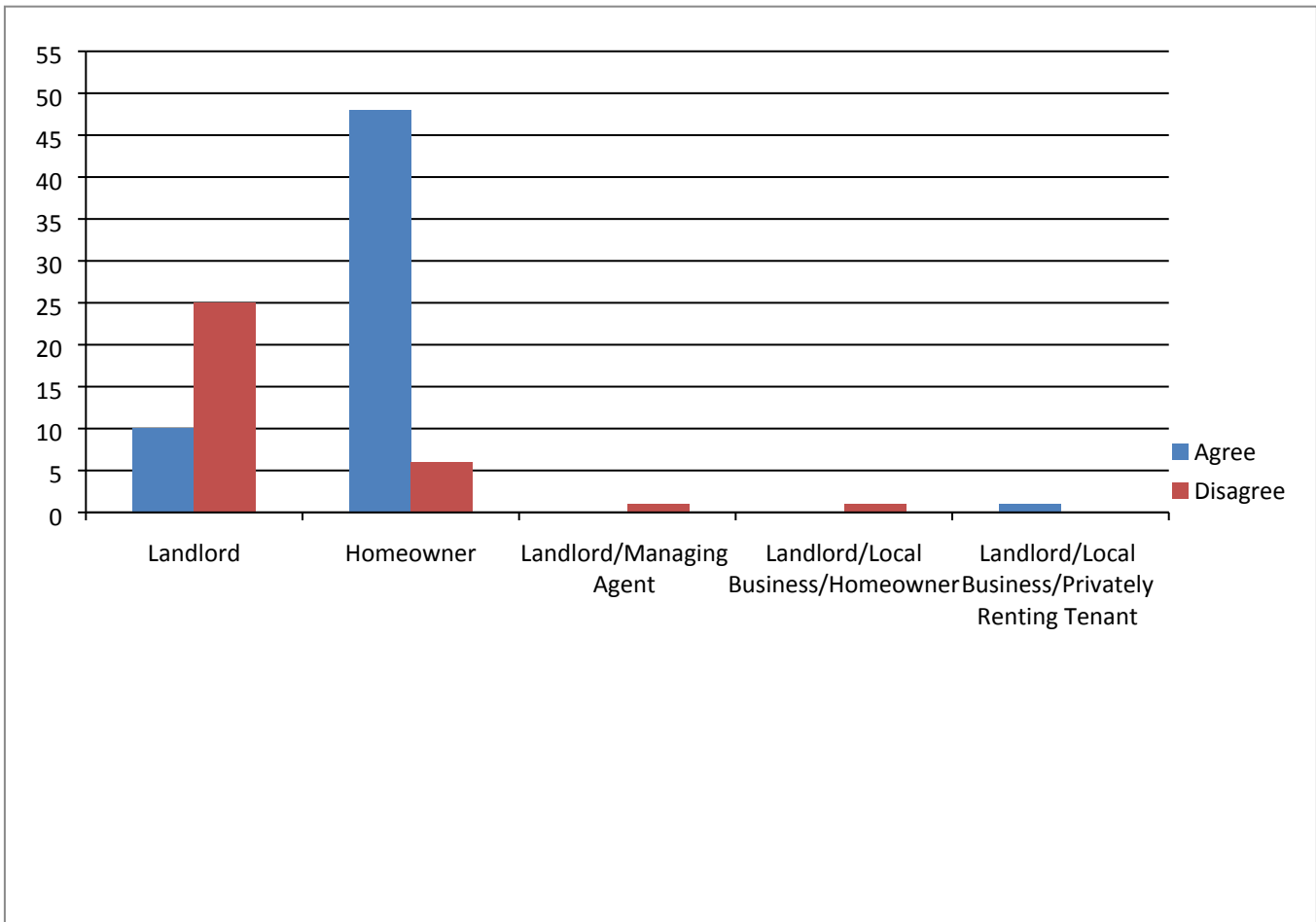
Table 26 below displays the breakdown of those who responded to the consultation exercise. It records their interest in the Trinity area and whether they agree or disagree with the Council's proposals to reintroduce the scheme in that area.

Description of Respondent	Agree	Disagree	Total Response by Category
Landlord	10 (29%)	25 (71%)	35
Homeowner	48 (89%)	6 (11%)	54
Landlord/Managing Agent	0 (0%)	1 (100%)	1
Landlord/Local Business/Homeowner	0 (0%)	1 (100%)	1
Landlord/Local Business/Private Renting Tenant	1 (100%)	0 (0%)	1
Total	59 (64%)	33 (36%)	92

Table 26

Figure 7 below displays the categories of people that have an interest in the Trinity area and compares their responses as either agreeing or disagreeing with the reintroduction of Selective Licensing in the Trinity area. From the respondents it is evident that the majority of homeowners agree with the scheme whilst the majority of landlords disagree. However, it is notable that a significant number of landlords agree with the reintroduction of selective licensing in this area at 10 respondents (29% of those landlords who responded).

Figure 7



17.3 Gannow

17.3.1 The following graphs and tables show the breakdown of responses to the consultation regarding Selective Licensing in the Gannow area. Landlords, managing agents, local business owners, housing association tenants, privately renting tenants and homeowners were asked to express their views regarding Selective Licensing. The questionnaire also directly asked, ‘Do you agree with the council’s proposals to introduce selective licensing in Gannow?’ In total 64 people responded to the questionnaire for Gannow. The detailed representations and council responses are detailed in appendix 6 to this report.

Figure 8 below displays individual responses to the Council’s proposals to reintroduce Selective Licensing in the Gannow area. Of the 64 people that responded 37 (58%) were in agreement and 27 (42%) disagreed with the proposal.

Figure 8

Agree or Disagree with Gannow's proposal for Selective Licensing

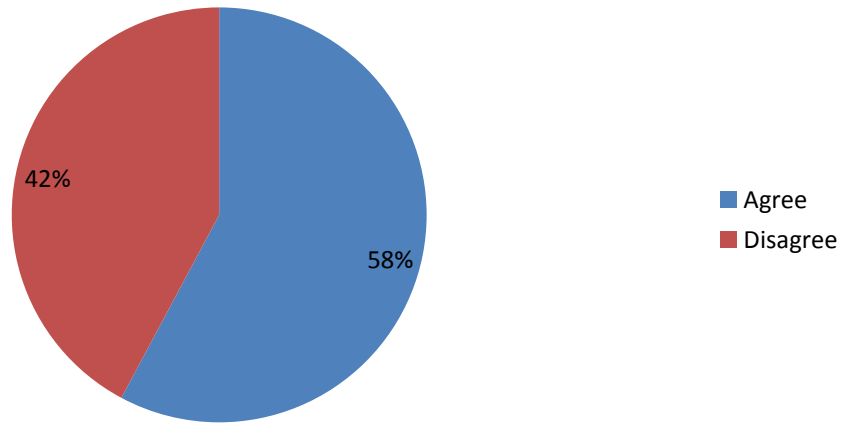


Table 27 below displays the breakdown of those who responded to the consultation exercise. It records their interest in the Gannow area and whether they agree or disagree with the Council's proposals to reintroduce the scheme in that area.

Description of Respondent	Agree	Disagree	Total Response by Category
Landlord	6 (22%)	21 (78%)	27
Homeowner	23 (100%)	0 (0%)	23
Managing Agent	1 (100%)	0 (0%)	1
Privately Renting Tenant	5 (83%)	1 (17%)	6
Housing Association Tenant	1 (100%)	0 (0%)	1
Landlord/Managing Agent	1 (50%)	1 (50%)	2
Landlord/Privately Renting Tenant/Homeowner	0 (0%)	1 (100%)	1
Landlord/Local Business/Homeowner	0 (0%)	2 (100%)	2
Landlord/Privately Renting Tenant	0 (0%)	1 (100%)	1
Total	37 (58%)	27 (42%)	64

Table 27

Figure 9 below displays the categories of people that have an interest in the Gannow area and compares their responses as either agreeing or disagreeing with the reintroduction of Selective Licensing in the Gannow area. From the respondents it is evident that the majority of homeowners and tenants agree with the proposals whilst the majority of landlords disagree.

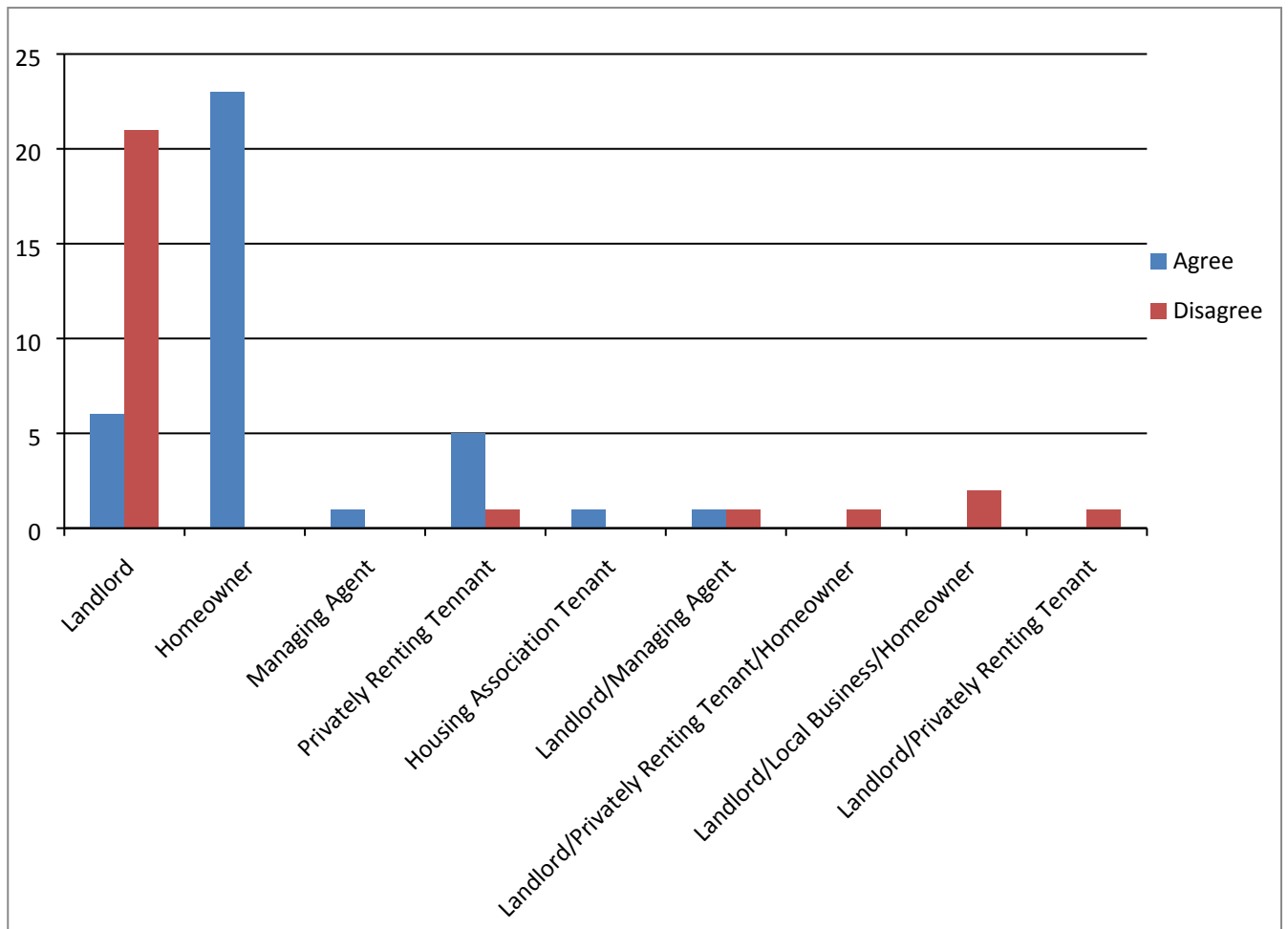


Figure 9

17.4 Queensgate

The following graphs and tables show the breakdown of responses to the consultation regarding Selective Licensing in the Queensgate area. The questionnaire followed the same format and 70 responses were received. The detailed representations and council responses are detailed in appendix 7 to this report

Figure 10 below displays the individual responses to the Council's proposals to reintroduce Selective Licensing in the Queensgate area. Of the 70 people that responded, 40 (57%) were in agreement, and 30 (43%) disagreed with the proposal.

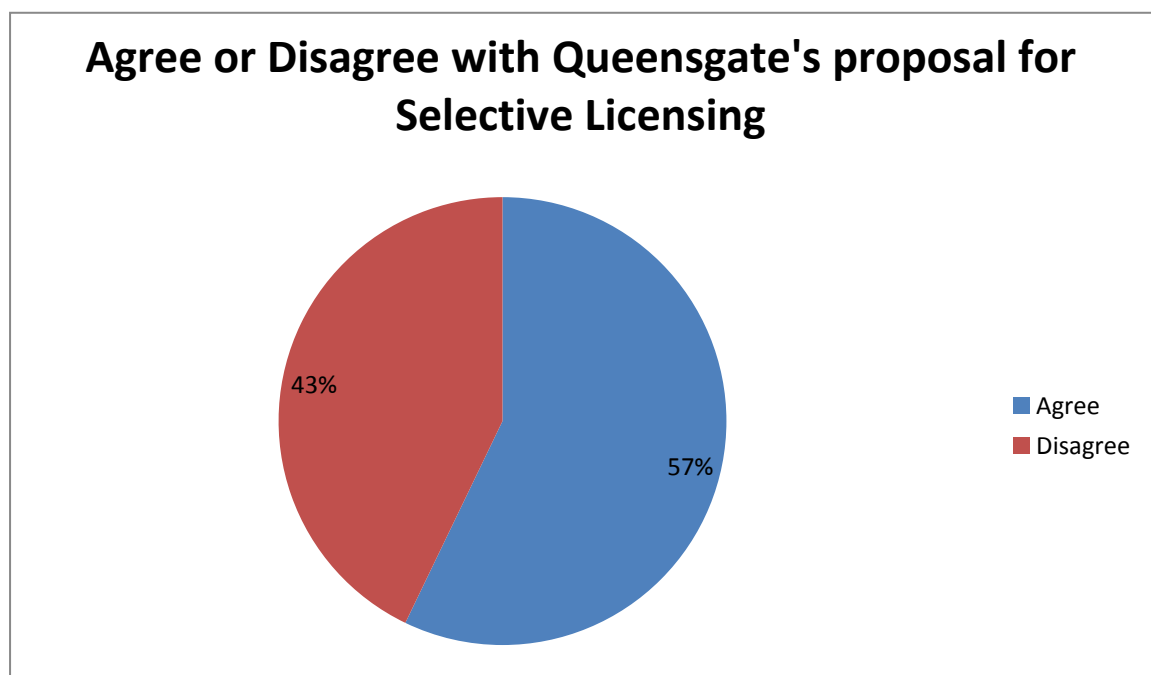


Figure 10

Table 28 below displays the breakdown of those who responded to the consultation exercise. It records their interest in the Queensgate area and whether they agree or disagree with the Council's proposals to reintroduce the scheme in that area.

Description of Respondent	Agree	Disagree	Total Response by Category

Landlord	8 (28%)	21 (72%)	29
Homeowner	25 (93%)	2 (7%)	27
Managing Agent	2 (67%)	1 (33%)	3
Local Business	0 (0%)	1 (100%)	1
Privately Renting Tenant	4 (100%)	0 (0%)	4
Landlord/Managing Agent	0 (0%)	1 (100%)	1
Landlord/Homeowner	0 (0%)	3 (100%)	3
Landlord/Local Business/Homeowner	1 (100%)	0 (0%)	1
Landlord/Managing Agent/Homeowner	0 (0%)	1 (100%)	1
Total	40 (57%)	30 (43%)	70

Table 28

Figure 11 displays the categories of people that have an interest in the Queensgate area and directly compares their responses as either agreeing or disagreeing with the reintroduction of Selective Licensing in the Queensgate area. From the respondents it is evident that the majority of homeowners and tenants agree with the scheme whilst the majority of landlords disagree.

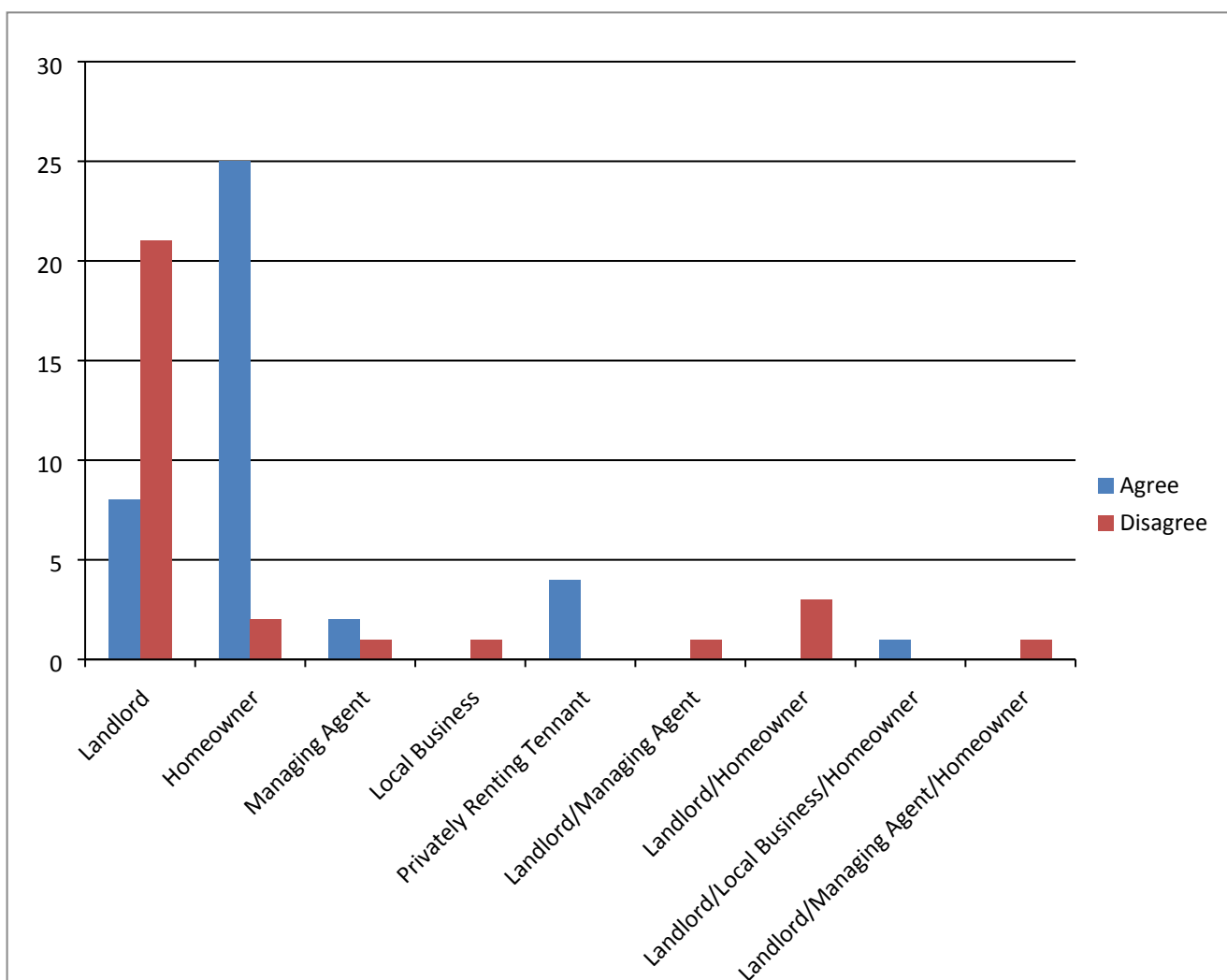


Figure 11

17.5 Daneshouse and Stoneyholme

The following graphs show the breakdown of responses to the consultation regarding Selective Licensing in the Daneshouse and Stoneyholme area. The questionnaire followed the same format and 72 responses were received. The detailed representations and council responses are detailed in appendix 8 to this report.

Figure 12 below displays the individual's responses to the Council's proposals for Selective Licensing in the Daneshouse and Stoneyholme area. Of the 72 people that responded, 26 (36%) were in agreement and 46 (64%) disagreed with the proposal.

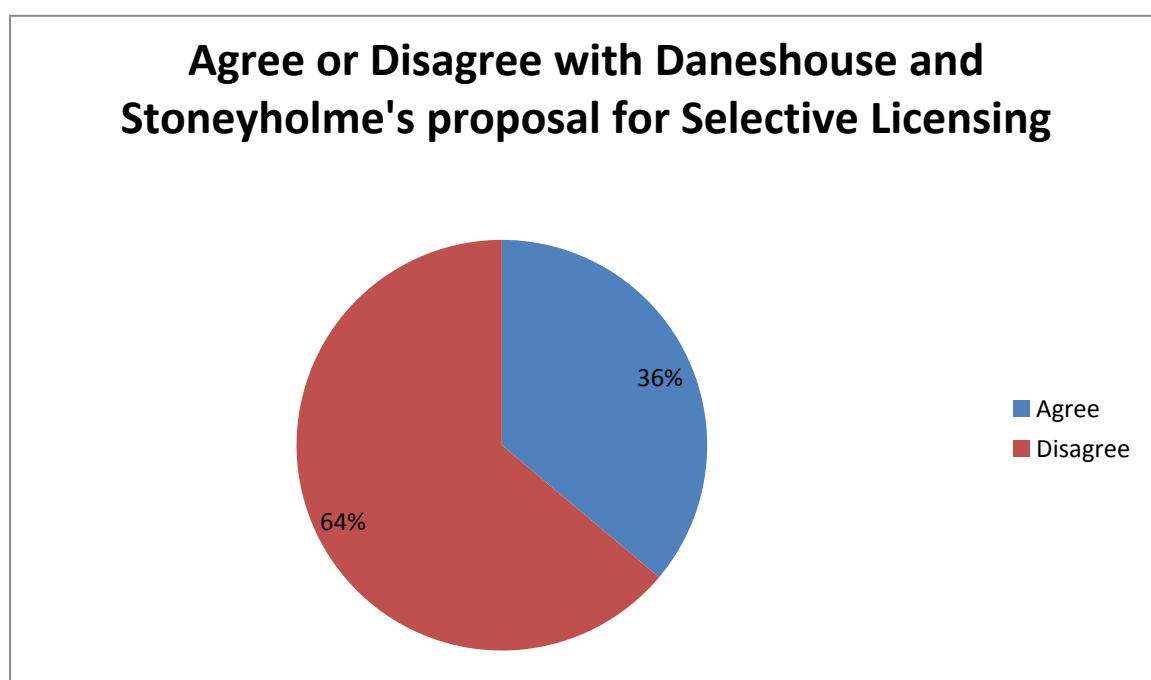


Figure 12

Table 29 below displays the breakdown of those who responded to the consultation exercise. It records their interest in the Daneshouse and Stoneyholme area and whether they agree or disagree with the Council's proposals to introduce the scheme in that area. The percentage figures in red show the results of the consultation undertaken in 2015. Although the majority of landlords still disagree with the Council's proposals, there is a marginal majority of homeowners that do agree with the proposals.

Description of Respondent	Agree	Disagree	Total Response by Category
Landlord	3 (12%) 0%	22 (88%) (94.1%)	25
Homeowner	20 (56%) (43%)	16 (44%) (51.2%)	36
Landlord/Homeowner	1 (20%)	4 (80%)	5
Privately Renting Tenant/Homeowner	0 (0%)	1 (100%)	1
Landlord/Privately Renting Tenant/Homeowner	0 (0%)	3 (100%)	3
Local Business/Homeowner	1 (100%)	0 (0%)	1
Homeowner/Other	1 (100%)	0 (0%)	1

Total	26 (36%)	46 (64%)	72
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Table 29

Figure 13 below displays the categories of people that have an interest in Daneshouse and Stoneyholme area and directly compares their responses as either agreeing or disagreeing with the introduction of selective licensing in that area. It is evident that the majority of respondents disagree with the designation. Of those that agreed, a majority of homeowners supported the designation.

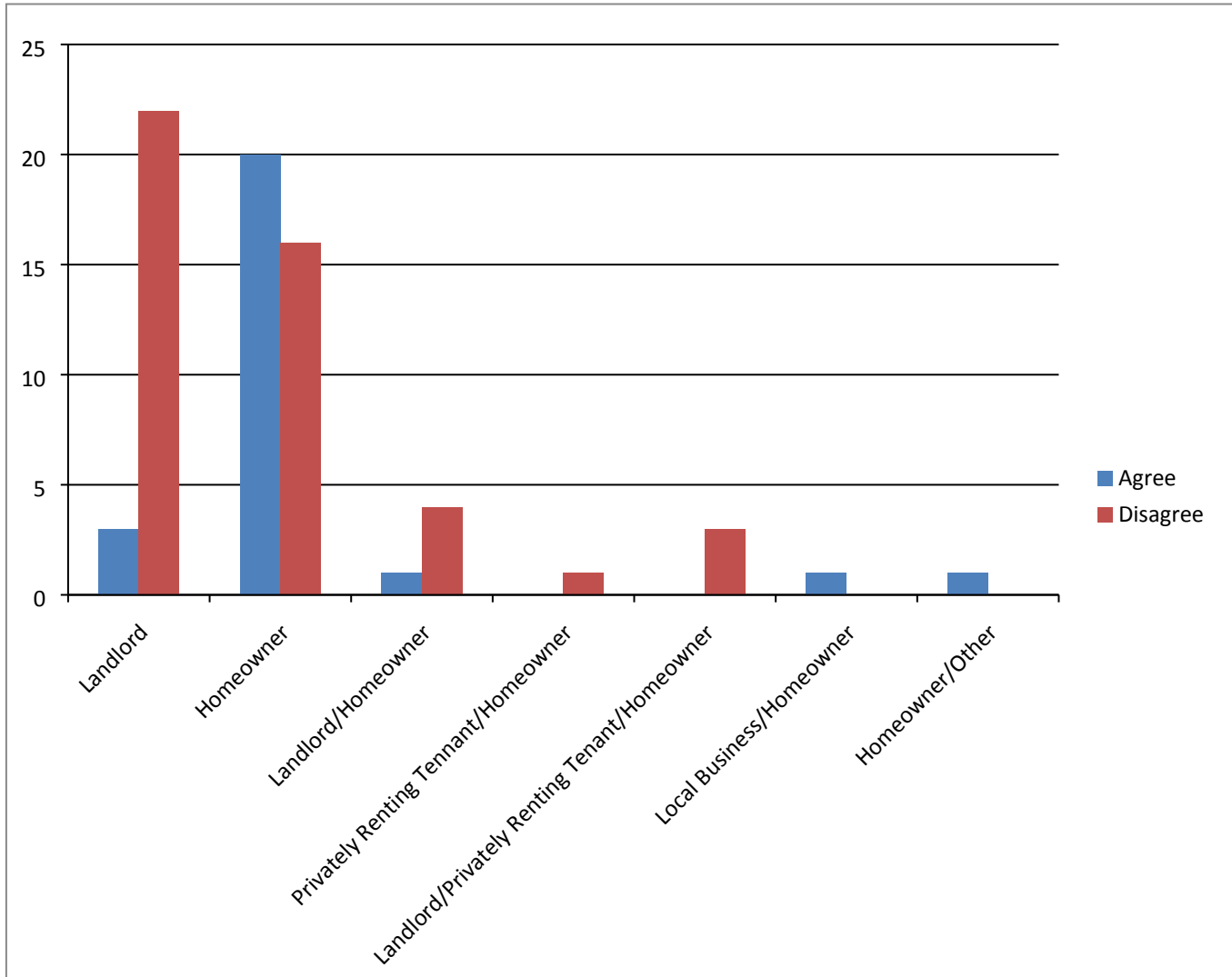


Figure 13

17.6 Landlord Associations (Appendix 9)

During the meetings, while both organisations fundamentally disagree with selective licensing which they see as a tax on good landlords they were encouraged by Burnley’s approach to landlord training, accreditation and the empty homes loans scheme, along with a council tax rebate and payment of the selective licensing fees. The Residential Landlords association wrote to the Council which is detailed in appendix 9 along with the Council’s response.

17.7 Landlord Evenings (Appendix 10a and Appendix 10b)

17.7.1 63 landlords attended the landlord evenings over two dates. They were the most positive events that the Council have facilitated since the inception of selective licensing in 2008. There appears to have been a shift towards professional landlords in Burnley who see the licensing fees as part of their business plan and are factored into their costs. As can be seen from the transcripts in appendix 10a and 10b, landlords acknowledge that there are difficulties in the private rented sector, that there are some positives to selective licensing although there are still many negatives. Importantly they have suggested how the delivery of the schemes can be improved.

18. Conclusions

18.1 The statistical evidence contained within this document shows that the four proposed areas are suffering from the effects of low demand for housing. It is most clearly manifested in higher than average vacancy rates, low property values and high numbers of private rented properties. In addition there are high incidents of environmental crime and reports of anti-social behaviour, which have a negative impact on the demand within the areas further weakening the housing market.

18.2 In addition to the low demand, through a series of proactive inspections in the proposed Daneshouse and Stoneyholme selective licensing area poor housing conditions are evident with a high percentage of the properties containing category 1 hazards, inadequate smoke detection and the absence of a Gas Safety Certificate.

18.3 With the exception of the Daneshouse and Stoneyholme area, the overall results show that the majority of respondents are in agreement with the proposals to introduce selective licensing within their areas.

18.4 When the respondents are broken down into home owners, the vast majority (marginal in the case of Daneshouse and Stoneyholme) are in agreement with the proposals to introduce selective licensing within their areas.

18.5 The Council has the support of residents living in the proposed selective licensing areas and of the support agencies such as the Police to introduce selective licensing in the proposed areas.

18.6 Across the four proposal areas the majority of landlords do not support the Council in the introduction of selective licensing, although there is some support especially in the Trinity and Queensgate proposed designation areas. Experience shows that landlords will engage with selective licensing when it is introduced and some report benefits of the scheme such as the support from Officers and the Landlord Development Day.

18.7 The use of selective licensing is a key part of the Council's wider regeneration strategy to reverse the trend of low housing demand.

18.8 Through an option appraisal the Council have considered a range of other options to determine whether they could achieve the objectives of the proposed selective licensing areas. The other options cannot compel a landlord to manage their properties responsibly, address tenant behaviour or ensure landlords seek references when allocating their

properties. Other options such as landlord and managing agent accreditation will however operate alongside selective licensing to support the schemes.

18.9 Through a coordinated approach, including selective licensing there is an improving picture in relation to low housing demand;

18.9.1 In the Trinity, Gannow and Queensgate selective licensing areas average house prices have risen since the start of the designations.

18.9.2 The number of empty properties in Trinity has reduced significantly since the start of the second designation area.

18.9.3 The Gannow and Queensgate designation areas have seen a marginal reduction in empty properties.

18.9.4 Since 2013/14 the number of disrepair cases reported to the Council in the Wards of Trinity, Gannow and Queensgate have decreased.

18.9.5 Since 2014/15 the number of reported incidents to the Council about anti-social behaviour have reduced in the Trinity, Gannow and Queensgate designation areas.

18.9.6 Since the start of the designation areas in Gannow and Queensgate the number of reported incidents of anti-social behaviour to the Police have reduced in the actual designation areas.

18.9.7 Since 2014/15 the number of reported incidents to the Council about environmental crime have reduced.

18.9.8 Despite these improvements the areas of Trinity, Gannow and Queensgate still in low housing demand. Not continuing with selective licensing at this stage would present a risk that this improvement will not be sustained or built on without a new designation in place for a further 5 years.

18.10 The risks of introducing the schemes have been considered and with identified control measures deemed acceptable when compared to the benefits the scheme can bring to the areas.

18.11 Based on the evidence contained within this document, the Council proposes that a designation area should be approved in the Trinity, Gannow, Queensgate and Daneshouse and Stoneyholme areas.

19. Recommendations

19.1 That the Council applies to the Secretary of State for the confirmation of the Trinity, Gannow, Queensgate and Daneshouse and Stoneyholme areas as selective licensing designation areas.

19.2 To determine which suggestions given by landlords can be implemented to improve the delivery of selective licensing within Burnley including better communication during the

designation regarding the work that the team are doing and whether landlords of accredited managing agents could receive a discount on the selective licensing fees.

Appendix 1

Fit and Proper person criteria



Fit and Proper Person and Management Arrangement Criteria for Selective Licensing

1. Part 3 of the Housing Act 2004 outlines that, when deciding whether to grant a licence or not the local authority (the “Authority”) is required to look at three aspects of the management of the property (the “Property”) and if these are satisfactory then it must grant a licence;
 - The proposed licence holder (the “Licence Holder”)
 - The proposed manager (the “Manager”)(if a different person from the Licence Holder)
 - The proposed management arrangements (the “Property Management Arrangements”)
2. The application will be checked to determine whether;
 - The proposed Licence Holder is a fit and proper (“Fit and Proper”) person to be the Licence Holder, and is, out of all the persons reasonably available to be the Licence Holder in respect of the house, the most appropriate person to be the Licence Holder;
 - The proposed Manager of the house is either – the person having control of the house, or A person who is an agent or employee of the person having control of the house;
 - That the proposed Manager is a fit and proper person to be the Manager,
 - That the proposed Property Management Arrangements for the house are satisfactory.
 - All persons involved in the management of the property are to be identified and assessed under the Fit and Proper person criteria.
3. The Authority will ensure, through this procedure that:
 - each case will be determined on its own merit; and
 - each specific offence, incident or issue will be considered in terms of its relevance to the holding of a Licence or to management and will take into account the gravity of the offence.
4. Where the information contained in the initial application is insufficient to determine suitability, we may contact the applicant to request further information. Where no other information is available or forthcoming, the Authority can refuse to grant the licence on grounds of insufficient evidence.

Definition of Fit and Proper Person Criteria

5. A Fit and Proper person means that they are morally suitable.
6. In determining whether a person is Fit and Proper the Housing Act 2004 Section 89 outlines the test, this includes assessing whether there has been any;

- Offences involving fraud, or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 to the Sexual Offenders Act 2003
- Unlawful discrimination on grounds of sex, colour, race, ethnic or national origins, or disability
- Breaches of housing or landlord and tenant law

7. When determining if the person is Fit and Proper the Authority will consider the following;
1. They are without any significant and relevant convictions, cautions, reprimands and warnings
 2. If involved in managing the house, they have the necessary experience and/or managerial skills and competence to successfully manage the property in accordance with satisfactory Management Arrangements
 3. They are aware of, and sensitive to, the needs of all sections of society;
 4. They are willing to engage with the Authority in the licensing procedure.
 5. They have suitable Management Arrangements and funding arrangements

Application process - How we will determine whether a person meets Fit & Proper

The Licence Holder and Manager will be assessed under each of the following categories to determine whether they meet the Fit and Proper person requirements.

They are without any significant and relevant convictions, cautions, reprimands and warnings

8. The applicant is to provide copy photo identification, such as Passport or Driving licence of the proposed Licence Holder.
9. The applicant is to provide a current Disclosure Scotland for the proposed Licence Holder and Manager.
10. Any significant and relevant convictions, cautions, reprimands and warnings showing up under this check will not necessarily mean that an application for licence will be refused. However, the nature of some offences will be viewed more seriously than others. Offences have been categorised into "Category 1", "Category 2" and "Category 3", where category 1 is to be regarded as the most serious.
11. Due regard to the full circumstances surrounding the offence will be given.

If involved in managing the house, they must have the necessary experience and/or managerial skills and competence to successfully manage the property in accordance with satisfactory management standards

12. As of the 1st October 2014 it is a legal requirement for all managers to be a member of a redress scheme. Redress schemes for letting agency work and property management work (requirement to belong to a scheme) (England) Order 2014.
13. A manager must be either accredited, who has already passed the Fit & proper assessment, or a member of a registered landlord or managing agent association such as NLA, RLA, ARLA, RICS.
14. Checks will be made with other departments such as Streetscene, Housing Renewal, with other local authorities, to check the applicant, proposed Licence Holder or Manager regarding performance in handling disrepair complaints, dealing with anti-social behaviour, compliance with legal notices to identify any concerns relating to Management Arrangements.
15. The applicant is to provide information relating to out of hours emergencies, anti-social behaviour, tenancy deposits, lettings and repairs reporting procedures.

16. The Management Arrangements provided in the application will be assessed against the Property Management Arrangements.

They are aware of, and sensitive to, the needs of all sections of society

17. Through the application form, Applicants must demonstrate an understanding of the needs of people from all sections of society.

18. That their Property and Arrangements are promoted and accessible to all, without discriminating against race, colour, gender, religion, ethnic or national origin disability (where appropriate) or sexual preference; and are promoted and available to people whose backgrounds may include such circumstances as homelessness, mental health problems, bankruptcy etc, where the provision of support where necessary enables that person to successfully manage their tenancy;

19. That all information relating to the tenancy, property and tenant rights and responsibilities is presented in a format accessible and understandable by the individual; and
That the management of their property does not contravene relevant legislation and standards, such as the Race Relations Act and Statutory Code of Practice on Racial Equality in Housing.

They have suitable management structures and funding arrangements.

The Licence Holder must reside within the United Kingdom.

20. In addition to those financial responsibilities outlined in the Property Management Arrangement, the Authority would expect a successful licence applicant to have suitable funding arrangements in place to effectively deal with repairs etc when they arise.

21. As part of the application process, potential Licence Holders will have to show that they have suitable financial management procedures in place to ensure contingency funds are available for any repair or emergency remedial works needed. Further investigation, for example credit reference checks or examination of bank account statements may be required.

They are willing to engage with the Authority in the licensing procedure.

22. In addition to assessing compliance with current and previous licence criteria, the Authority will take into account the way in which the applicant has engaged with any previous licensing or enforcement procedures, both within or outside the Authority. The fact that the prospective Licence Holder may have been successful in mandatory licence applications is not sufficient evidence on its own to fully demonstrate engagement with previous application or enforcement processes.

23. It should be noted that this document and the fit and proper person criteria is not exhaustive and the Authority reserve the right to amend the Fit and Proper Person criteria and the Property Management Arrangements from time to time in line with government directives or through service or policy development. Any amendments changes to the document or the Criteria will be published and sent to existing Licence Holders and Managers.

Property Management Arrangements

It is expected that all information for the prospective tenant referred to in this document will be in a format and method understandable to them and makes it possible for queries or concerns to be easily raised.

The Licence Holder and Manager are to ensure that there are satisfactory Property Management Arrangements in place, below are the standards that the Authority require for each property.

Standard 1 – Letting Practices

Licence Holder or Manager will be expected to demonstrate that they have a letting procedure in place that:

- Actively encourages applicants from all backgrounds and makes clear that prospective tenants will not be discriminated against due to their race, colour, gender, religion, sexual orientation, ethnicity, disability or national origin or age.
- Provides clear information to prospective tenants about the property including rent levels, due dates and increase dates, deposits, receipts, the terms and conditions of the tenancy, charges (including service charges), a rent book and payment methods.
- Includes referencing procedures. These procedures should obtain from a prospective tenant formal identification and a satisfactory written reference (or at least two satisfactory references in a case where such person has previously been a tenant of more than one other property) which should include details of how that person conducted any such tenancy in terms of causing nuisance, anti-social behaviour, payment of rent and any breaches of the tenancy agreement. Where this is not possible, from an employer, educational professional or other responsible person who knows the prospective tenant well. It is not advisable to rely on references from friends or family members. Home visits should also be carried out to check the tenants housekeeping.
- Provides clear information on who has responsibility for the payment of all utility charges and Council Tax.
- Provides clear information about how deposits are to be held under the Tenancy Deposit Scheme, which was introduced by Part 6 of the Housing Act 2004.
- Ensures prospective tenants are made aware of the standard operating procedures, such as emergency repairs, hours of contact etc.
- Provides the tenant, on receipt of a deposit, with an inventory describing the state of the property and contents. Where practicable, photographic evidence should be included.

Standard 2 – Creating the tenancy

The Tenancy Agreement issued must comply with current legislation. All parties included in the tenancy agreement should be aware of their rights and responsibility under the agreement and landlords should be able to demonstrate that they have made every reasonable effort to ensure the tenants awareness.

This could include providing clear, written descriptions of:

- The terms on which the property is to be occupied.
- An address in England or Wales for the tenant to use to serve notice.
- Contact details for the landlord, agent or representatives, including emergency and 'out of hours' information.
- Repair-reporting procedures including maximum response times.
- Local facilities and amenities, including refuse collection/recycling days, neighbourhood watch and residents' association details, post offices and shops etc.
- Provision of alley gate keys where applicable.
- The tenancy should contain acceptable behaviour clauses. Tenants should be provided with clear information about the level of behaviour expected of them whilst in the tenancy and their responsibilities both to the property and to their new neighbours and wider community. The information should also include examples of behaviour constituting antisocial behaviour and nuisance, as well as explaining clear consequences of displaying such behaviours.

Standard 3 – Managing the tenancy

They must make every possible step to ensure their tenants are able to live peacefully within their property. More specifically, they must:

- ensure any repairs are undertaken within a reasonable timescale;

- ensure the property is free from disrepair
- Carry out quarterly checks of the property
- promptly tackle any antisocial or nuisance behaviour emanating from the property, whether perpetrated by the tenants or people visiting or living with them; and
- Respect the privacy of the tenant, for example by giving adequate notice and ensuring permission is given (usually no less than 24 hours) before access to the property is needed.
- Tackle any breaches of the tenancy agreement promptly, and take any necessary action.

Standard 4 – Tackling Antisocial Behaviour

The Authority recognises the difficulties faced by private landlords in addressing issues of antisocial behaviour, particularly relating to Possession Proceedings.

- The tenancy should contain acceptable behaviour clauses. Tenants should be provided with clear information about the level of behaviour expected of them whilst in the tenancy and their responsibilities both to the property and to their new neighbours and wider community. The information should also include examples of behaviour constituting antisocial behaviour and nuisance, as well as explaining clear consequences of displaying such behaviours.
- Ensure there is a clear procedure for dealing with ASB, including warning letters, home visits and an escalation process.
- Landlords and Agents should seek advice from the Authority as soon as they become aware of nuisance or antisocial behaviour being perpetrated by their tenants or people visiting or living with them.
- The Authority and partners will work with landlords, managers and agents to develop an appropriate course of action for each case. This could include referral to mediation services, requesting action to regain possession of the property, the provision of a support service to the tenant.
- Where complaints against the property continue, Licence Holders and Managers will be requested to demonstrate measures undertaken to address the issues.
- Good references for tenants that have caused ASB should not be provided, in order to move a tenant on. Landlords, Managers and agents must always provide accurate and honest references to other landlords or agents on request.

Standard 5 – Ending a tenancy

Licence Holder or Manager must be able to demonstrate a satisfactory understanding of relevant legislation and procedures.

Unless a tenant clearly surrenders the property or the tenancy is ended by mutual agreement evidenced in writing, the correct legal notice must be served in order for the landlord to regain possession of the property. If the tenant fails to leave the property following the granting of a possession order, a Bailiff's Warrant must be obtained in order to evict the tenant.

The authority expects applicants, Licence Holders and managers to be able to evidence that:

- They will comply with current legislation in order to gain possession of the property.
- tenants are issued with clear information regarding the arrangements for bringing the tenancy to an end. This information must include clear guidance regarding the condition of the property expected at the end of the tenancy and the consequences of failing to meet this standard.
- That the Tenancy Deposit Scheme is used to promptly and efficiently return deposits and that any deductions are justified with evidence of expenditure, made available to the tenant.

Standard 6 - Other relevant issues

In addition to the specific standards outlined above, the authority may take into consideration the following points:

- That the Licence Holder or manager be suitably located to the licensable property to ensure adequate management, especially with regards to accessing the property, arranging repairs and being available to the tenants. Whilst each application will be considered individually, it is the view of the Authority that it is difficult to successfully manage a property when the landlord or agent are based a significant distance away, particularly overseas. In such circumstances, the Authority would expect a local managing agent to be employed, within 40 minute drive of the property.
- That the applicant, landlord, manager or agent has a significant history of legal notices, work in default or enforced sales. Such a history will be considered to be an indication of poor management in relation to repairing obligations.
- That the applicant, landlord, manager or agent has no significant history of frequent and substantive complaints and/or successful civil actions relating to the unreasonable withholding of deposits. Such a history will be considered to be an indication of poor management in terms of collection and return of deposits.
- That the applicant, landlord, manager or agent has no history of frequent and substantial complaints from tenants relating to conduct considered constituting harassment or attempted or actual unlawful eviction. Such a history will be considered to be an indication of unsatisfactory management arrangements.
- That the applicant, landlord, manager or agent has not breached any current or previous management regulations applicable to HMOs. Any such breach will be considered to be an indication of unsatisfactory management arrangements.

Appendix 1 – list of convictions, cautions, reprimands or warnings

Category 1 offences

A conviction for these offences will usually result in the licence application being rejected.

Offences of dishonesty

Benefit fraud (*offences under ss111A and 112 of the Social Security Administration Act 1992*)

Forgery

Burglary

Conspiracy to defraud

Obtaining money or property by deception

Offences of violence

Murder

Manslaughter

Arson

Malicious harm (*s20 Offences against the Person Act 1861*)

Possession of a firearm

Possession of an offensive weapon

Actual bodily harm (*s47 Offences Against the Person Act 1861*)

Grievous bodily harm (*s18 Offences Against the Person Act 1861*)

Robbery

Riot

Affray

Any racially aggravated offence (*Crime and Disorder Act 1988*)

Offences relating to drugs

Supply of drugs

Sexual and indecency offences

Rape

Soliciting

Indecent assault

Indecent exposure

Any other offence under Schedule 3 of the Sexual offences act 2003

Housing Act Offences

Protection from Harassment Act 1997

Protection from Eviction Act 1997

Any conviction for failure to comply with the licensing regime as set out in the Housing Act 2004 (s95)

Provision of false or misleading information (s238 of Housing Act 2004)

Obstruction (s241 of the Housing Act 2004)

Failure to comply with a licence condition (s95 of the Housing Act 2004)

Failure to hold a relevant licence (s72 of the Housing Act 2004)

Breach of improvement notices and prohibition orders (s35.6 s32.2b of the Housing Act 2004)

Category 2 offences

A conviction for these offences will be viewed seriously and, following further investigation, could result in the licence application being rejected:

Offences of dishonesty

Handling or receiving stolen goods

Theft

Offences of violence

Violent disorder

Police assault

A caution, reprimand or warning for any Category 1 offences will be classed as a Category 2 offence.

Category 3 offences

A conviction, caution, reprimand or warning for these offences may also be taken into account and further information will be requested in order to determine the relevance of these offences. If deemed to be relevant or sufficiently severe, these offences could result in the licence application being rejected:

Offences of violence

Common assault

Criminal damage

Obstruction

All other offences that relate to dishonesty, drugs, sexual and indecency, Housing and Landlord and Tenant.

A caution, reprimand or warning for any Category 2 offences will be classed as a Category 3 offence.

Appendix 2 – DRAFT Conditions

BURNLEY BOROUGH COUNCIL
SELECTIVE LICENCE CONDITIONS

In these conditions, “Property” is meant to refer to the building or part of a building, which is licensed under Part 3 of the Housing Act 2004 (“the Act”). “Authority” is meant to refer to the Local Housing Authority, namely Burnley Borough Council.

Housing Act 2004 Mandatory Conditions

1. If gas is supplied to the Property, the Licence Holder must produce to the Authority annually for their inspection, a Gas Safety Certificate obtained in respect of the Property within the last twelve months.
2.
 - i. The Licence Holder must keep electrical appliances and furniture provided by him in the Property in a safe condition; and
 - ii. Must supply to the Authority on demand a declaration made by him as to the safety of such appliances and furniture
3. The Licence Holder must
 - i. Ensure that a smoke alarm is installed on each storey of the house on which there is a room used wholly or partly as living accommodation and to keep each alarm in proper working order, and
 - ii. Supply to the Authority on demand a declaration made by him as to the condition and positioning of such alarms.
- 3a To ensure that a carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance and to keep any such alarm in proper working order and to supply the authority on demand with a declaration by him as to the condition and positioning of any such alarm.
4. The Licence Holder must provide each occupier of the Property with a written statement of the terms and conditions on which they occupy the Property (“the Tenancy Agreement”).
- 5 a) If any person allowed by the Licence Holder to occupy the Property shall have been a tenant under a tenancy of any other property then, prior to that person being allowed to occupy the Property, the Licence Holder shall have obtained from that person formal identification and shall have taken reasonable steps to obtain a satisfactory written reference (or at least two satisfactory references in a case where such person has previously been a tenant of more than one other property) which reference (or references) shall include details of how that person conducted any such tenancy (or tenancies) in terms of causing nuisance, anti-social behaviour, payment of rent and any breaches of the tenancy agreement(s).
- 5 b) The reference(s) referred to in 5 a) above shall be in relation to the tenancy or, where the said person has previously been a tenant of more than one property, the two tenancies immediately preceding their occupation of the Property.

- 5 c) A copy of the said reference(s) must be provided to the Authority within 14 days of receiving a request to do so in writing by the Authority.

Housing Act 2004 – Prescribed Conditions

Management of the licensed Property

6. The Licence Holder must ensure that there are management procedures in place, and effectively utilise said procedures, to ensure that the Property:

6.1.1. Is in good repair and safe to live in before a tenancy is granted; and

6.1.2. Remains free from disrepair during the tenancy, and that once the licence holder is made aware of any disrepair, repairs are made within a reasonable time period.

7. The Licence Holder must ensure the occupiers of the Property have been provided with details of the following:

- Name of the Licence Holder;
- A contact address and daytime telephone number;
- An emergency contact number.

An emergency contact telephone number for the Licence Holder and/or Management Agency shall also be available and notified to the Authority if not already done so.

8. The Licence Holder must ensure that occupants of the Property receive written confirmation detailing the arrangements that have been put in place to deal with repair issues and emergencies should they arise.

9. The Licence Holder must arrange to undertake a detailed inventory to be agreed with each occupant upon commencement of their occupation of the Property and to be kept on file by the Licence Holder at the Licence Holder's business address.

10. The Licence Holder must act lawfully and reasonably in requiring any advanced payments from occupiers, in handling rents, in returning deposits and in making deductions from deposits. The Licence Holder must provide any occupiers or prospective occupier with the following information:

- The amount of rent payable
 - The details of any deposit required
 - Details of what the deposit covers, the deposit scheme it has been deposited into (within 14 days) and arrangements for return
 - The frequency of payments
 - The details of any utilities or other charges included in the rent
 - The responsibility for payment of council tax
 - The responsibility for payment of utilities and arranging provision of such.

11. The Licence Holder (and their agent where an agent has been appointed) must attend one Landlord Development Day covering how to manage tenancies during the period in which the licence is in force and must undertake any additional Property management training courses that the Authority from time to time requires to be undertaken. Alternatively demonstrate to the Local Authority that similar, relevant training has been undertaken within the preceding 12 months.

12. The Licence Holder must inform the licensing team of the Authority within ten working days of any substantial changes in their circumstances which would affect the management of the Property, namely;

- i) Details of any unspent ²convictions not previously disclosed to the Authority that may be relevant to the Licence Holder and/or the Property manager and their fit and proper person status and in particular any such conviction in respect of any offence involving fraud, dishonesty, violence or drugs or any offence listed in Schedule 3 to the Sexual Offences Act 2003;
 - ii) Details of any finding by a court or tribunal against the Licence Holder and/or the Manager that he/she has practised unlawful discrimination on grounds of sex, colour, race, ethnic or national origin, religion, sexual orientation or disability in, or in connection with, the carrying on of any business;
 - iii) Details of any contravention on the part of the Licence Holder or Manager of any provision of any enactment relating to housing, public health, environmental health or landlord and tenant law which led to civil or criminal proceedings resulting in a judgment or finding being made against him/her;
 - iv) Information about any property the Licence Holder or manager owns or manages or has owned or managed for which a local housing authority has refused to grant a licence under Part 2 or 3 of the Act, or has revoked a licence in consequence of the Licence Holder breaching the conditions of his/her licence;
 - v) Information about any property the Licence Holder or manager owns or manages or has owned or managed that has been the subject of an Interim or Final Management Order under the Housing Act 2004;
 - vi) Change in Managing Agent or the instruction of a Managing Agent.
13. The Licence Holder and/or their Manager are required to visit the property within three to six months of the commencement of the tenancy and thereafter annually. A record of these visits must be kept available to the Authority on request.
14. The Licence Holder must inform the Authority of any information that comes into their possession that suggests that a person(s) involved with the management of the Property are not “fit and proper persons” for the purposes of the Act.
15. The Licence Holder must take steps to ensure that the water supply and drainage system serving the Property is kept clean and maintained in good repair and proper working order.
16. The Licence Holder must not unreasonably cause or permit the water supply or drainage system that is used by the occupiers of the Property to be interrupted.
17. The Licence Holder must not unreasonably cause or permit the gas or electricity supply that is used by the occupiers of the Property to be interrupted.
18. Where there are alley gates installed to the rear of the licensed Property, the Licence Holder must:
- Take responsibility for holding a key for any alley gates, which are in place or installed; and
 - At the time of letting, provide all new tenants with a key for the alley gates.
 - Ensure that any tenant during their occupancy of the Property is aware of the requirements of the alley gating scheme.

Safety and Security

² The Rehabilitation of Offenders Act 1974 enables some criminal convictions to become ‘spent’, or ignored, after a ‘rehabilitation period’. A rehabilitation period is a set length of time from the date of conviction. After this period, with certain exceptions, an ex-offender is not normally obliged to mention the conviction when applying for a job or obtaining insurance, or when involved in criminal or civil proceedings.

19. Where window locks are fitted, the Licence Holder must ensure that keys are provided to the occupant.
20. Where previous occupants have not surrendered keys, the Licence Holder must arrange for a lock change to be undertaken, prior to new occupants moving in.
21. The Licence Holder will ensure the front and rear doors of the Property are secure and fitted with good quality locking systems.
22. Where a burglar alarm is fitted to the Property, the Licence Holder will ensure the code is changed at the beginning of each new tenancy and that the occupant is informed of the new code.

Environmental Management and Amenity of the Neighbourhood

23. The Licence Holder shall ensure that suitable and adequate provision for refuse storage and collection is made at the Property and that the Authority's arrangements for refuse collection including recycling are made clear to the tenant. This shall include the provision of closable bins of suitable capacity as specified by the Authority. Arrangements shall be made immediately for the proper collection and disposal of any rubbish additional to that within the bins. The Licence Holder shall ensure that all tenants are aware that all refuse containers are to be returned within the curtilage of the Property on the same day that they are emptied by the Authority.
24. The Licence Holder must ensure that the tenant is aware of their responsibility to keep yards, forecourts and gardens surrounding the Property in a clean and tidy condition.

Preventing and Reducing Antisocial Behaviour

25. The Licence Holder must take all reasonable and practicable steps for preventing and dealing with antisocial behaviour. The Licence Holder and/or his manager must undertake a reasonable and effective investigation of any complaints which have been made either directly to them, or via the Authority, regarding their occupiers. For the purposes of these conditions, antisocial behaviour is defined as behaviour by the occupants of the Property and/or their visitors, which causes a nuisance and/or harassment, alarm or distress to other occupants of the Property, to lawful visitors to the Property or to persons residing in or lawfully visiting the locality of the Property.
26. The Licence Holder must ensure that any tenancy agreement or written statement of the terms and conditions of which the house is occupied issued in relation to the Property contains reasonable clauses allowing the licence holder or their appointed representative to address any instances of anti-social behaviour by the tenant or the tenant's visitors. The licence holder must ensure that all occupants are aware of the existence of this clause.
27. Where tenants and/or their visitors have been found to have caused anti-social behaviour, the Licence Holder must make clear to the tenant with verbal and written warnings as appropriate that further instances of anti-social behaviour will not be tolerated. Should the tenant and/or their visitors continue to cause anti-social behaviour the Licence Holder must utilise the clauses of any written agreement under which the tenant occupies the Property to legally end the tenancy where appropriate.
28. The Licence Holder or their nominated agent must have the facilities to receive and respond to initial complaints about their occupiers' behaviour.
29. The Licence Holder or their nominated agent must provide free of charge an honest and accurate reference relating to existing or previous tenants to other potential landlords.

Ending a Tenancy

30. The Licence Holder must ensure that there are management procedures in place to legally end a tenancy in relation to the Property, and must implement said procedures.
31. The Licence Holder must provide to the Authority on demand a copy of any notices served by the Licence Holder or their nominated representative ending a tenancy at the Property, and/or a copy of any notice given by the tenant ending a tenancy at the Property.

Appendix 3

(Control and click to follow link)

[The Good Landlord and Agent Scheme Code of Practice](#)

Appendix 4

Draft Fee and Charging Structure for the Implementation of Selective Licensing

Introduction

1. Part 3 of the Housing Act 2004 outlines that the Authority may require the application to be accompanied by a fee fixed by the Authority. The legislation implies that the full fee should be paid with the application. There is no requirement within the legislation for local housing authorities to accept staged payments.
2. The fee covers the cost of running the selective licensing scheme and is based upon the average length of time to administer the designation for each landlord and property. Inevitably each application and property will vary in the amount of officer time required.
3. The fee is not connected to the length of time covered by the licence.
4. The Authority is not permitted to make a profit from the introduction of a selective licensing scheme and any surplus must be ring-fenced for use on the scheme. The fees should, however, take account of all costs incurred in administering a selective licensing scheme.
5. Recent case law in relation to the European Services Directive requires local authorities to separate out the cost of processing an initial application from those costs associated with the ongoing administration of a scheme.
6. All fees are payable in two stages, at the application stage and upon granting the licence.
7. The fee structure will be reviewed annually.

Role of charging structure

8. The purpose of this document is to establish a transparent charging policy.

Application Fee

9. All application fees are payable at the application stage. As a result of feedback from landlords, the Council introduced the option of monthly direct debit payments for selective licensing fees over a maximum period of 24 months to help the applicant manage the costs. Each individual request for monthly direct debit payments will be assessed on its own merits and will be decided at the Council's discretion.

Reduced Fees

10. An application for a licence submitted in the last six months of the designation will be eligible for a reduced fee of 50%; however this will only apply in circumstances where the property has not been eligible for licensing prior to the 6 month deadline.
11. Applications for a property during the designation that are not subject to point 8 above will be based on the agreed fee structure.

12. Licenses are non-transferrable. Applications resulting from a change in ownership of a licensed property will be charged the full standard fee.

Fee Reimbursements

13. Applications will be charged the full amount and the payment is to accompany the application form. At the Council's discretion a payment plan may be established to agree to payments to be made over an agreed period of time; any such plan can only be repaid by direct debit.

14. The Council will give the applicant a refund if a duplicate application or an application for an exempted property has been made by mistake.

15. The fees are not connected to the length of a licence. If a licence is cancelled before it expires, the Council cannot give a refund for any time that remains for the selective licensing designation. A fee will not be reimbursed if a property is sold before the end of the selective licensing designation and the applicant will still be required to pay any outstanding charges due as a result of the application.

16. Where a licence is refused or revoked, the applicant or licence holder will not be entitled to any refund of fees and will still be required to pay any outstanding charges due as a result of the application.

Fee Discounts

17. To reward landlords who are already operating to a minimum legal standard in Burnley a 30% discount will apply to any landlord who is an existing member of the Council's Good Landlord and Agent Scheme. To be eligible for this discount a landlord **must** have applied and subsequently become accredited by the dates below:

- For properties in Trinity: xxxx;
- For properties in Queensgate and Gannow: xxxxx;
- For properties in the Daneshouse and Stoneyholme area xxxx

18. Early Application Discount for Properties in the above areas:

To reward landlords in these areas who apply within 3 months of the designations coming into force (xxxxxxx), a discount of £100 will be applied to the application fee, providing the applicant submits a full complete application form and all requested documentation. Payment must be received in full or a direct debit payment plan agreed. Failure to continue to make direct debit payments will result in the loss of any early application discount previously supplied.

19. The Council wants to support responsible landlords to make further investments in the selective licensing areas, which is why the Empty Homes Programme will pay the selective licensing fee of an accredited landlord if:

- They purchase an empty property in the designation areas which has been vacant for a minimum of 12 months prior to the landlord purchasing it; *and*
- The property is refurbished to the accreditation standard within 6 months of the landlord purchasing the property.
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For further information contact the Empty Homes team on 01282 425011 ext 3188.

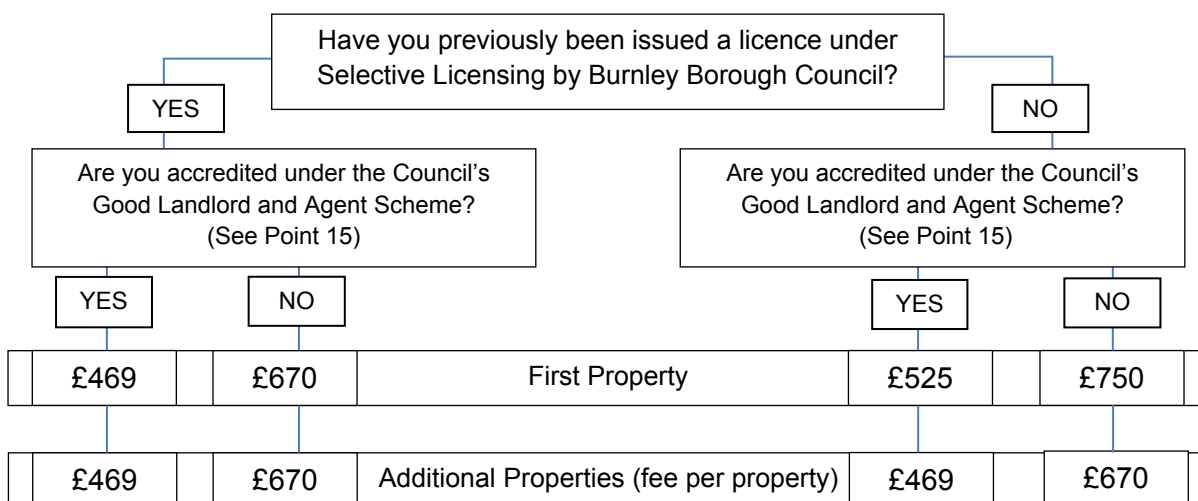
Payment Methods

20. Payment in full is required with the application documents.

Fee

New application with one property (Not been licensed previously)	£750
New additional property	£670
Accreditation Discount	30%
Early Application Discount	£100

Calculating Your Fee



Deduct £100 from your **total** fee if the Early Application Discount applies (see Point 16)

Fee Examples

<i>Landlords <u>NOT</u> previously licensed in Burnley who are...</i>	
Accredited, with one property	£525 (application fee reduced by 30%) Reduced to £425 if apply within three months
Not accredited, with one property	£750 (application fee) Reduced to £650 if apply within three months
Accredited, with two properties	£994 (application fee plus additional property fee, reduced by 30%) Reduced to £894 if apply within three months
Not accredited, with two properties	£1420 (application fee plus additional property fee) Reduced to £1320 if apply within three months
<i>Landlords <u>previously</u> licensed in Burnley who are...</i>	
Accredited, with one property	£469 (additional property fee reduced by 30%) Reduced to £369 if apply within three months
Not accredited, with one property	£670 (additional property fee) Reduced to £570 if apply within three months
Accredited, with two properties	£938 (2x additional property fee reduced by 30%) Reduced to £838 if apply within three months
Not accredited, with two properties	£1340 (2x additional property fee) Reduced to £1240 if apply within three months

Appendix 5

Trinity Transcript

Disagree with Council's proposals to introduce Selective Licensing in Trinity

Date	Tenant/Landlord/Homeowner/ Local Business	Query/Comment	Burnley Borough Council Response
25/11/2018	Landlord	<p>I am strongly against the extension/renewal of the selective licensing scheme. It is my understanding that selective licensing was introduced to tackle the problems of anti-social behaviour and low housing demand due to poor quality housing.</p> <p>Anti-social behaviour is the responsibility of the individual, not landlords or anyone else. Action to address it should be funded by everyone equally, and people are already paying for this through their taxes. To take a section of the community and force them to make additional payments to fund something they are not responsible for is, in my opinion, nothing other than discrimination.</p> <p>With regard to poor housing standards, the council have many powers at their disposal to deal with this, from management orders through to compulsory purchase. Therefore, there is no need to penalise good landlords. If there are sub-standard houses in the area, the council should be dealing directly with the landlords involved, not taring everyone with the same brush.</p> <p>It appears to me that your insistence in licensing, and therefore charging, all landlords in a specific area rather than just targeting the culprits is nothing more than a money raising exercise implemented by people who can't be bothered to</p>	<p>Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing anti-social behaviour (ASB) and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area.</p> <p>Whilst we agree that all individuals are ultimately responsible for their own actions, it is the landlord's responsibility to carry out proper reference checks prior to letting a property, helping to minimise the risks of anti-social behaviour occurring. Failure to reference tenants and provide evidence of their methods could result in action being taken for breaches in licensing conditions. It is also the landlord's responsibility to ensure they have adequate management procedures in place to challenge such behaviour effectively, so neighbouring properties and the wider community suffer minimal impact from it. As a result of these improved management practices, areas with high proportions of private rented properties will improve.</p> <p>The application process is structured to ensure all</p>

		<p>do the work involved to bring the culprits to account. I suspect it is easier, and would raise more money, for you to simply license everyone. To treat a good landlord in the same way as a bad one is again, in my opinion, discriminatory.</p> <p>For want of a better expression, if you feel that good people, as well as bad ones, should be funding this, then it should be included in council tax and paid for by everyone.</p> <p>And who has decided that low housing demand is due to poor quality housing? What about other factors such as crime rates, drug usage and lack of jobs, particularly well paid, skilled positions? Are you licensing, and also charging, for example, doctors because they prescribe drugs even though they do this in a responsible manner in accordance with their position, in the same way that you license and charge landlords who provide good quality housing to tenants who have never been involved with anti-social behaviour?</p> <p>I notice that many people, not just landlords, have a say in this consultation. Is everyone that has a say being required to be licensed and consequently to pay for the scheme? What percentage of those people being given a say would be required to pay if the scheme were extended? Are you hoping that the number of people not required to be licensed or pay will outweigh those that are, and will vote in favour of the scheme being extended?</p> <p>If not everyone is being given a say is required to be licensed or pay for the scheme, I believe the consultation is not being conducted on a level</p>	<p>tenancy agreements contain robust and enforceable clauses preventing nuisance or annoyance being caused, whether by ASB or criminal acts. This provides landlords with the required grounds to pursue and resolve anti-social behaviour committed by their tenants. In addition, we offer support and advice to landlords to enable them to legally end the tenancy if the activity continues. We also provide tailored training to landlords on how to deal with this potentially difficult issue. Ultimately community warning and protection notices may be served, which are stages which must be taken in order to apply to the courts for a House Closure.</p> <p>Selective licensing is similar to any other licensing regime being operated across the country, whether that is taxi licensing, waste disposal licensing or public entertainment licensing. The licensing regimes are there to protect communities and visitors, manage public health risks and respond to public concerns. There are public concerns over the condition, management and reputation of the private rented sector in Burnley. Selective Licensing compels all landlords to work towards the same standards so that management practices and conditions meet the required legal requirements.</p> <p>It is also a condition of all licences granted that a reference check with Selective Licensing is carried out prior to letting, helping to minimise the risks of anti-social behaviour occurring. Failure to reference tenants and provide evidence of their methods could result in action being taken for breaches in licensing conditions. We work in close partnership on ASB issues with both the Police and the Council's own ASB team, both already publicly funded. The Police see</p>
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	<p>playing field. If there are people currently not licensed but with a say in this matter, are they being told that if the scheme is extended they too will need to be licensed and pay the fee? Or are you effectively asking them if they would like a scheme extended for which they will not have to pay anything because you've already targeted other people who, although not responsible for the current situation, will be forced to fund it?</p> <p>And that brings me on to the current situation. Selective licensing was introduced 10 years ago. By now, any measure that could have been taken to improve the area should have been (seen). As with pretty much any area of life, there are always improvements which can be made, but after a time they essentially become part of everyday business. If the Trinity area is currently at this stage there is no need for further licensing. Funds required for future work should be paid for by everyone and collected via council tax.</p> <p>If you are saying that, after ten years, you are still not at a business as usual position, serious questions need to be asked regarding whether you are a fit a proper person to manage this scheme. And I would suggest you're not. Landlords are not a gravy train the council can tap into to fund inefficiencies. If the scheme is extended I would expect the management of it to be removed from the council and placed with an organisation that can do the job within acceptable timescales.</p> <p>Obviously if the council cannot manage the Trinity area scheme properly, they should not be in charge of running any selective licensing scheme.</p>	<p>the selective licensing team as key partners in tackling ASB within the designation areas. The selective licensing team meet with the local community beat managers on a weekly basis and hold a multi-agency meeting on a six-weekly basis. Council Officers also hold regular area drop in sessions, where residents can come to us with any concerns regarding private rented properties in their area.</p> <p>The Council agree that poor quality housing is not the only factor affecting low demand, and the selective licensing areas face a complex set of issues including crime and social deprivation. These issues demand a multi-agency approach and don't respond to 'quick fixes,' which is why the proposal to designate these areas is being made, to enable the delivery of more sustained improvement in these areas.</p> <p>The legislation does not facilitate the targeting of "bad" landlords only but is area-based and any landlord operating within that area then has to apply for a licence. To recognise that there are good landlords already operating in the areas there is a 30% discount to the selective licensing fee for those landlords that are accredited through the Good Landlord and Agent Scheme (GLAS).</p> <p>The Council's Enforcement team is able to enforce minimum standards in private rented properties, and in some instances we make use of Management Orders to take control of the property where improvements are not made. In these cases, the Council steps in and brings the property up to the required standard; the landlord does not receive any rent whilst the Order is in place, as all funds are</p>
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I have grave concerns over how these schemes are managed and whether the priority is to solve problems or raise money, particularly in light of my recent application for a license relating to a property I own in the Leyland Road area. The fee for this was £670 with £100 discount being offered for early applications, i.e. within two months.

Despite my application being submitted within 12 days, I was denied this discount on the grounds that the two month period commenced when the area was designated. This happened approximately two years ago.

My application had to be submitted within twelve days to avoid missing the deadline set by the council. I received the application pack twelve days before the deadline for submissions. So, the council take two years to issue something and expect landlords to act within two weeks. I consider this to be absolutely appalling treatment. Both parties should be treated the same.

I also feel that if no discount was available, reference to it should have been removed from the application pack. But it wasn't. Could the council just not be bothered or did you want people to know that a discount was available but due to the amount of time it took the council to issue the application pack, no landlord could benefit from it?

And why is the cost of the license so high? The Trinity license cost £500, so at £670 this appears to be a 34% increase. Well over the cost of inflation. As you now have ten years' experience of running

directed to improving the property.

Whilst this is an effective service, it is in the main a reactive service and depends on tenants advising us there is disrepair at the property. Unfortunately, many tenants are unwilling to make complaints regarding poor landlords, for fear of retaliatory eviction.

Selective licensing helps identify disrepair in properties and assists the enforcement team to tackle some of the worst condition properties.

The application fee is only to be used in implementing and monitoring the scheme, making improvements in the area where you own property. The cost of not intervening in a failing housing market may be much greater for landlords as demand for housing continues to drop and the area declines further. Selective licensing does not put any extra requirements onto good landlords who are already doing what they should be in order to responsibly manage their properties. The aim of the scheme is to ensure that all landlords are operating to the same standard.

Regarding comments about the extent of the consultation, the consultation area is set slightly wider than the actual licensing boundary to allow residents on neighbouring streets (who are also affected by area issues), to have a say. We do so as we firmly believe that issues within the private rented sector significantly affect the wider community. Legislation states that 'when considering designating an area the local authority must:

- Take reasonable steps to consult persons who are likely to be affected by the designation, and

	<p>selective licensing schemes, I would have expected efficiency savings to have kicked in and for the work involved to be undertaken in a shorter period of time, as people are now more experienced and proper processes should be in place.</p> <p>Having just received a notice of intention to grant the license in the Leyland Road area, I notice that the license only covers a three year period as opposed to the five year license issued for the Trinity area. This means that the cost has not risen by 34%, but by a staggering 123%! How can you justify this? What are landlords paying for? Can you confirm that each selective licensing area has its own accounts prepared and that these accounts are available to anyone on request?</p> <p>Obviously I'm happy that at least you have acknowledged that you have learnt from your prior experience and that the problems in new selective licensing areas can be dealt with in less time. Can you confirm this is the case, or have you simply reduced the period covered as a precursor to issuing multiple renewals, and therefore demanding more money, in the future?</p> <p>If the Trinity selective licensing is to continue, how long do you propose issuing a license for and at what cost? What guarantees are you offering landlords that a further extension will not be required?</p> <p>Returning to my recent application, I also believe that the terms of the license are discriminatory and would not stand up to a court challenge. You have insisted that properties be managed by someone</p>	<ul style="list-style-type: none"> Consider any representations made in accordance with the consultation.' <p>With reference to a 10-year period for selective licensing; this only applies in the Trinity area where the first Burnley designation was introduced in 2008. The Government recognises that Selective Licensing is a long-term strategy and that it will not provide instant solutions. 46% of the proposed area's properties are privately rented, a significant part of the housing on offer. Both qualitative and quantitative evidence shows that the area is improving. Average house prices have increased by approximately £7000 since 2013 and the number of sales has increased from 58 per year to 79. Empty homes have reduced by 29% and overall incidents of anti-social behaviour have also decreased by 11%. In addition, the incidence of environmental crime such as fly tipping and dirty back yards also shows a downward trend.</p> <p>The fee structure has changed since Trinity's first designation. However, this was to make it generally more affordable. Non-accredited landlords with one property would pay £558 per application with a monitoring fee of £111 in years 2, 3, 4 and 5. This would mean the total paid was £1002. The fee structure has been addressed to ensure that it is more affordable, and now the application fee for all areas follows the same structure. Regarding your application for a licence within the Leyland Road designation (introduced on 15/11/2016); applicants who were already accredited with the Good Landlord and Agent Scheme (GLAS) at that time qualified for a 30% discount. In addition, applications submitted by 17/2/2017, i.e. within 4 months of the start of the designation, were entitled</p>
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	<p>within a forty minute drive of the property, but this is not required for landlords of non-licensed properties and is not, as far as I am aware, a legal requirement. The council should not be using selective licensing as an excuse to insert terms that they would like to see, but that have no legal basis. And why should there be a manager within 40 minutes of the property? Given today's technology it is simply not required and shows how out of touch the council is. I live over 200 miles from my property but if there is a problem the tenant simply has to call me and I will arrange for the appropriate person to deal with the matter. I could be standing outside the front door but if, for example, there was a problem with the roof, I would not be climbing up a ladder to inspect it. I have had situations like this in the past. The contractor simply sends me photos of the problem, via mobile phone, and we then discuss the matter and how to proceed, again via phone. There is no need for me to be there. Do the council not recognise this or is the requirement for a local manager driven by the council's apparent need for control, or to impose an unnecessary burden and cost on landlords?</p> <p>To sum up, I feel that landlords are not responsible for anti-social behaviour and the council should use the powers available to them, pre the selective licensing era, to deal with those letting sub-standard property. No good landlord should be penalised for the unacceptable actions of others.</p> <p>Ten years is more than enough time to bring in special measures, and after this the area should be treated no differently from any unlicensed area. If that's not the case, in my opinion the council has</p>	<p>to a further £100 'early bird' discount. Additional properties were also subject to further discounts.</p> <p>All designations that have been implemented have been for the maximum 5-year period, and the licence is valid for the duration of this period. The minimum price for a licence is therefore as low as £369 and for an accredited landlord as soon as the area was designated, the weekly cost would be £1.42 per property. By comparison with other Councils nationwide that have adopted Selective Licensing, this is one of the lower fee rates.</p> <p>As we do not have the details of individual property purchases, lets and re-let, we cannot comment in more detail on specific e.g. that the Council takes two years to issue something and expect landlords to respond within two weeks. Two weeks is the standard deadline we would give for return of the completed application form. It is the responsibility of the proposed licence holder to ensure that they have applied for a licence; this is a legal requirement. Anybody found not to have done this may have action taken against them.</p> <p>Extensive consultation was carried out before the Leyland Road area was designated in November 2016, and after this date all privately let properties required a licence. It is the landlord's responsibility to ensure that an application is submitted, rather than wait to be tracked down and an application pack sent. During this period, the facility to apply and pay online was available, and paper copies were also supplied on request.</p> <p>All licences are issued to cover the period of the relevant designation if an application was not</p>
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		<p>clearly failed in its objective (unless that objective was to raise money) and should be removed from the management of this scheme.</p> <p>The only people that should have a say in the matter are those that are required to pay for it. If non payers were told that they would have to pay for the extension, would their feedback be the same? Everyone needs to be treated on a level playing field.</p> <p>I am against further licensing in the Trinity area. And would like answers to the questions raised in this feedback.</p>	<p>granted until two years into the designation, this would leave a 3-year period. The period covered by the licence has not itself been reduced it is dependent on when the application was made. At the end of the designation, the scheme's effects are measured before deciding on the way forward; this has consistently been the case since the first designation was introduced in 2008. Accounts are published at the end of each area designation showing the detail of how the programme funding has been spent, and these are made publicly available on the Council's website.</p> <p>The current consultation process will inform the Council's Executive when making their decision whether to apply to the Secretary of State for approval to designate the Trinity, Gannow, Queensgate and Daneshouse and Stoneyhome proposal areas. If the Council apply and the submission is approved, the areas will be designated following a three-month notification period.</p> <p>Regarding the requirement for the manager of a licensed property to be within a 40-minute drive of the property, there has been a long-standing public concern regarding absentee landlords operating in Burnley. This can have a detrimental effect on the reputation of the private rented sector. Selective Licensing allows local authority to compel all landlords to work towards the same standards and raise the bar in management practices and conditions. The Council's concern is that in emergencies demanding immediate attention, a landlord at some distance would be less able to respond promptly, so this requirement was introduced as part of the Fit and Proper assessment</p>
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			to address this. Having said that, there is some discretion to judge each case on its own merits, i.e. if the landlord is able to demonstrate they have effective management practices in place and qualified local emergency contacts to respond on their behalf, this will be considered and assessed if it is a suitable arrangement.
21/11/2018	Landlord	A complete waste of time. I can't believe the expense and jumping through hoops involved in renting out a house which has just been purchased in this area. Now they expect me to take a day off work to attend a course on being a landlord. No wonder there are so many vacant houses, who can be bothered with all of these procedures to rent a single house out for £300/£400 per month?	<p>Selective licensing is designed to ensure that all landlords are operating to the same standard, to improve management practices by establishing minimum standards, and to take enforcement action against those landlords who are unwilling to adopt them.</p> <p>The provision of Landlord Development Days is one of the benefits funded from within the Selective licensing programme to advise, update and train landlords. The course is delivered by a qualified trainer from the Residential Landlords Association and receives very positive feedback from attendees. It also offers access to future resources and a valuable networking opportunity. The training provides the information and skillset for Landlords to deal with any problems that may arise with their property or tenant, it contributes to developing consistent management practices across the selected areas, where many of the landlords may own multiple properties. Where the landlord's circumstances prevent them attending a day's training, they also have the option to sit the online equivalent course. In addition, landlords who have a Managing Agent that has already attended a Development day are not required to attend unless they change their agent.</p>
16/11/2018	Landlord	Selective licensing has no return on investment for	The primary aim of Selective licensing is to improve

		<p>me. When I needed help with a problem neighbour you couldn't help me and didn't help me. I can't see the point I am sorry to say. It just seems like a revenue collection and a tax in a different way. It is one of the reasons I am selling my houses in licensed areas. There are 'real life' advantages to it in my experience.</p>	<p>management practices by establishing minimum standards across the board, rather than to return an investment for landlords. Without specific details it's difficult to response e.g. whether the neighbour was in fact an owner occupier or a tenant. We work closely with the Council's ASB team in Streetscene. If the neighbouring property is owner occupied, we are not able to engage with a landlord to help resolve the problem but would refer the details to the relevant officers.</p> <p>All public licensing schemes incur a fee, whether taxi licensing, waste disposal or selective landlord licensing. The fee for selective licensing is an administrative charge used to implement and monitor the scheme. The council is not permitted to make a profit from selective licensing; all funds go towards the running of the scheme and making improvements within the areas. The selective licensing legislation allows local authorities to fix their own charging structure, and we have endeavoured to keep the fee as low as possible. We offer additional discounts to landlords accredited under our Good Landlord and Agent Scheme (GLAS) as well as a discount for applications returned early. We also allow landlords to pay over a 24-month period to spread the cost. For an accredited landlord who returns their application within three months of a designation starting, the proposed fee works out at around £1.42 per week for a five-year licence.</p> <p>All monies received from application fees are ring-fenced solely for use on delivering the scheme; the council is not permitted to make a profit from selective licensing.</p>
15/11/2018	Landlord	I think the licensing scheme has had a detrimental impact on the area causing property prices to fall	Selective licensing does not have the facility to target only 'bad' landlords but allows the Council to

		<p>dramatically since it was introduced and for the area to become a ghost town due to the number of boarded up properties. Licensing penalises the good landlords. What is needed is investment in the area e.g. grants not loans to help encourage home buyers into the area. There is enough legislation in place to protect tenants without penalising landlords further with licensing costs. As a good landlord I feel let down by Burnley council.</p>	<p>improve minimum property standards across the private rented sector. It is based on an area and any landlord operating within that area must apply for a licence. The 30% fee discount offered to members of the Council's Good Landlords and Agents Scheme is there to recognise there are many good landlords already operating in these areas.</p> <p>Evidence shows that property prices within Trinity's Selective Licensing area have steadily increased. The average house price in 2013/2014 for this area was £31,814 and by 2016/17 this had increased to £39,011. Empty homes in the designation area have also decreased by 29% between 2014 and 2017. The Selective Licensing team work alongside the Empty Homes team who provide targeted improvement loans on an interest free basis to landlords of properties vacant for more than 6 months. They are also able to purchase a number of properties per year for renovation and resale, returning them to active use.</p>
15/11/2018	Landlord Managing Agent	THE SCHEME IS USELESS	Further detail is needed for comment.
14/11/2018	Landlord	<p>I agree there have been small improvements in the trinity area. However, after 10 years of paying this fee I feel the council should start investing more in the area, not just rely on an income from landlords. The area needs re-generating.</p>	<p>The Council appreciate that some improvement in the area are visible, but also recognise that it still faces a complex set of issues including crime and social deprivation. These issues demand a multi-agency approach and don't respond to 'quick fixes,' which is why the proposal to designate these areas is being considered, to enable the delivery of more sustained improvement.</p> <p>The Selective Licensing scheme does not work in isolation but is set within the wider context of the Council's Housing Strategy. This covers all aspects of housing development and growth, including property acquisition to create new development opportunities</p>

			<p>for regeneration within Burnley. It works with a range of partners to achieve these goals. Initiatives include partnership working with social landlords, joint ventures with private sector partners and projects to tackle empty homes.</p> <p>The selective licensing application fee is utilised to implement and monitor the scheme, and the Council is not permitted to make a profit from it.</p>
14/11/2018	Landlord	Terrible effects	<p>Demonstrable improvements can be shown for the Trinity area under Selective Licensing. These include an increase in average house prices of over £7000 since 2013; the largest increase in any of Burnley's Selective Licensing areas. Empty properties, anti-social behaviour and environmental crime incidents have also decreased; full details to be published in February 2019.</p>
14/11/2018	Landlord	<p>We disagree that this borough is in a low housing demand area when compared to the wider borough. Selective licensing has already been in place in this borough and is due to end in 2019. It is not fair and reasonable to expect private landlords to continue paying selective licensing fees in order rent properties within the borough especially seeing as though fees have already been paid for at least the past 5 years and to renew for another five years is just another money making exercise for the local authority. Powers are already in place to deal with privately rented properties within the borough.</p>	<p>The Trinity ward has the highest level of privately let properties within the Borough, and approximately 46% of the proposed designation area is privately rented. Areas that consist of over 19% of privately rented housing are considered to have a high amount of this accommodation type. Since private lets constitute such a considerable portion of Trinity's housing market, it is important that they are well managed. The proposed designation area has seen new, professional landlords investing in the area, supported by the ongoing accreditation scheme.</p> <p>There is an improving picture within the proposed area, with moderate house price rises, a significant reduction in empty properties and a downward trend in environmental crime. The area shows signs of stability and improvement, despite remaining an area of low demand. Without a further 5-year designation, the risk is that improvements made will not be sustained or built on. Government guidance</p>

			<p>(Department for Communities and Local Government 2015) recognises that the aims of selective licensing 'may have to be a long-term strategy and that it will not provide instant solutions.'</p> <p>Any public licensing scheme will have fees attached. The fee is an administrative charge used to implement and deliver the scheme, and all monies raised are ring-fenced back into the scheme to make improvements in the areas. The Council are not permitted to make a profit from the programme, and the money cannot be used for other projects outside of selective licensing.</p> <p>The Council's powers of enforcement often rely on Tenant's to report disrepair Selective Licensing assists the enforcement service to identify property disrepair and address it. Many tenants feel too intimidated to report disrepairs to the council through fear of retaliatory eviction. Throughout the current Selective Licensing areas the Council invests its own resources and additional Government funding, to carry out proactive in order to achieve better standards of property and management conditions.</p>
6/11/2018	Homeowner	<p>I object to having selective licensing in selective areas as this puts off new good landlords coming into the area and people are less likely to buy a house once they know it has to have a license. This only makes property harder to sell in the future and people look elsewhere. The council should have a free complaints procedure so any person in the borough can complain about their landlord and of work is not done satisfactory within a reasonable time, they are fined, that money can then be put back into the system to pay for the running costs or</p>	<p>The private rented sector within the designation area continues to grow, with an increase of 14% from 2014 to May 2018. This growth in the sector within Trinity includes new professional landlords investing in the area, many of whom have become accredited under the Council's own Good Landlords and Agents scheme. This builds the available pool of landlords and agents who already meet our Fit and Proper criteria.</p> <p>The Council enforcement service already operates a</p>

		<p>certainly help with the running costs. The council needs to buy empty properties and renovate them then sell them, a work program could be created for the unemployed even on a very small scale. Eventually the housing demand would increase and businesses would not close/new businesses would be created if the housing stock was at higher capacity.</p>	<p>process where public can report issues of disrepair and poor property condition. If repairs are required a Council technical officers will assign a schedule of works to the owner; if these are undertaken within a reasonable timescale, satisfactory management practices are deemed in place. Failure to undertake the repairs, or undue delay, may result in a review and the licence being revoked.</p> <p>The Selective licensing team also works closely with the Empty Homes team, who can offer interest-free improvement loans to landlords of vacant properties (subject to criteria being met). The team also buys and renovates a number of homes per year within the designated areas for resale, bringing them back into active use.</p>
17/10/2018	Landlord	The whole project is nonsense and I don't agree with the proposal.	Further detail is needed to comment.
17/10/2018	Landlord	The license costs me a lot of money for absolutely no benefit. It's a load of paperwork and faff.	<p>The fee structure for the application of a Selective Licence is designed to be as affordable as possible. There are a number of discounts available, including early application reductions, discounts for those accredited under the Good Landlord and Agent Scheme and a reduction in price for those who are previously licenced. There is also the option of direct debit for payment to ensure that the application fee is manageable.</p> <p>The main objective of Selective Licensing is to raise management standards of privately rented properties. It ensures that landlords are able to deal with tenancy breaches, such as causing ASB and environmental crime. Each landlord must meet the standards required by the fit and proper person criteria. Those that do not operate the correct practices will be encouraged to improve or face being unable to operate in the area.</p>

			<p>Improvements have been made within the area and landlords benefit through additional support and advice that the Council has made available.</p> <p>The paperwork involved is essential to ensure that adequate monitoring can be carried out on both properties and management, and that where improvement is not made despite help and support, that the necessary follow up action may be taken.</p> <p>This is necessary to ensure fairness and parity to all landlords operating within the areas.</p>
8/10/2018	Landlord	I still think there are too many empty properties in this area.	<p>Empty homes within the proposed Trinity designation area have reduced by a further 29% since 2014, showing that investors have confidence in the area.</p> <p>Selective licensing does not operate in isolation but works alongside a variety of initiatives including the Empty Homes project, focused grant funding, partnership working with Calico and the wider context of the Housing Strategy.</p> <p>The main objective of Selective Licensing is to raise management standards of privately rented properties. It ensures that landlords are able to deal with tenancy breaches, such as causing ASB and environmental crime. Each landlord must meet the standards required by the fit and proper person criteria. Those that do not operate the correct practices will be encouraged to improve or face being unable to operate in the area. These improved management standards will result in a reduction of low demand characteristics, including the number of empty properties.</p>
3/10/2018	Landlord	This is a money making scheme for the council and nothing else. It's a tax on landlords. I get zero benefit from this scheme and it has no effect on my tenant.	<p>Selective Licensing, like all licensing regimes whether taxi licensing or waste disposal licensing, is designed to protect communities and visitors, manage public health risks and respond to public concerns. There are public concerns over the condition, management and reputation of the private rented sector in</p>

			<p>Burnley. Selective Licensing compels all landlords to work towards the same standards so that management practices and conditions are consistent and legal requirements met.</p> <p>The fee for Selective Licensing is not a tax, but an administrative charge used to implement and monitor the scheme. The Council is not permitted to make a profit from Selective Licensing; all funds go towards the running of the scheme and making improvements within the areas. The legislation allows local authorities to fix their own charging structure, and we have endeavoured to keep the fee as low as possible. We offer additional discounts to landlords accredited under our Good Landlord and Agent Scheme (GLAS), as well as a discount for applications returned early. We also allow landlords to pay over a 24-month period to spread the cost. For an accredited landlord who is already licenced in Burnley and returns their application within three months of a designation starting, the proposed fee works out at around £1.42 per week for a five-year licence.</p> <p>All monies received from application fees are ring-fenced solely for use on implementing the scheme; the council is not permitted to make a profit from Selective Licensing.</p>
23/9/2018	Landlord Local Business Homeowner	<p>Over the lifetime of the current Licensing, there have been no significant improvements in these areas.</p> <p>There are still many properties that people no longer wish to own or rent & can be seen offered for sale to unsuspecting buyers for between £15k and £25k. The Councils apparent financial initiatives & penalties for not investing in these unwanted</p>	<p>Trinity was identified as having low housing demand long before the first selective licensing designation in October 2008. It was officially designated part of the Governments Housing Market Renewal Pathfinder in 2002 (the Elevate programme). Since then, the Council and partners have worked to proactively address this low housing demand. The designation area is showing some signs of stability and</p>

	<p>properties are misdirected & cannot solve the overall problem.</p> <p>In particular there are still far too many unwanted 2 bedroom terraced properties that are owned both privately & by landlords. They are not worth improving significantly, as their value won't increase proportionately & as most can only be let to tenants funded by Housing Benefits, which is assessed using the very basic, Local Housing Allowance (LHA), which is not index linked to inflation & sadly makes no allowance for some of the better properties in the same area, when determining the average rental rate for each property.</p> <p>As such, it is being left to tenants to top up from their own income, above the LHA rate to obtain a better quality property.</p> <p>As Burnley Council already had & still has now, adequate powers to address poorly maintained properties without obtaining these Licenses, it is now becoming even more obvious that the main beneficiary to gain from imposing these Licensing Fees is, Burnley Council itself.</p> <p>The millions of pounds currently being obtained in Licensing Fees (which the Housing Department have refused to release details to Landlords written requests over the years or at landlord meetings with the Council, or for this huge income to be known more easily publicly, for debate), is in fact clearly being used to significantly support the Councils own Departmental & Central overhead costs. Thereby helping to avoid showing such a large & very profitable income gain.</p> <p>We are further advised that the Council in taking this approach, also avoids being seen as "grazing off the backs of Burnley landlords" by charging these</p>	<p>improvement, although it still displays features characteristic of low housing demand.</p> <p>Empty homes within the proposed designation area have also reduced by 29% since 2014. The private rented sector within the proposed designation continues to grow, with an increase of 14% from 2014 to May 2018. Concern about vacant properties not being wanted is noted, but this growth includes new professional landlords investing in the area, which shows growing confidence in the area. Selective Licensing helps support the enforcement service to tackle disrepair through the identification of poor management practices. Without it, we are dependent on tenants reporting disrepairs, and they are sometimes reluctant to do so for fear of retaliatory reactions from poorer landlords. The Council also support the selective licensing designations by investing their own resources to fund pro-active inspection to raise property standards and management practices.</p> <p>Accounts for each of the selective licensing areas are made publicly available on the Council website at the end of each designation. These show in detail how the programme has been funded, and list the initiatives delivered.</p> <p>Your concern that the imposition of a licensing application fee will result in increased rental costs to tenants is not borne out by evidence. Landlords are entitled to put their rents up as they see fit, providing this is done legally within the terms and conditions of their tenancy agreements. These must be considered reasonable (i.e. in line with local rent levels). The application fee for Selective Licensing has been</p>
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22/9/2018	Landlord	<p>Been a complete waste of time and is a tax on decent landlords. Area has got worse and the worst owners have just avoided registration and nothing seems to have been done to them.</p>	<p>Whilst GDPR prevents us from being able to fully publicise details of prosecutions and civil penalties taken against landlords with sub-standard management or failure to apply for a licence. At the time of writing, 26 landlords representing 41 properties have been successfully prosecuted for failure to apply for a licence. 4 landlords representing 5 properties have received civil penalty notices totalling £55,000. 18 Rent Repayment Orders</p>

			<p>have been made and upheld by the Residential Property Tribunal.</p> <p>The cost of not intervening in a failing housing market may prove much greater for landlords as demand for housing continues to drop and the area declines further.</p>
21/9/2018	Landlord	<p>I have bigger concerns over empty or derelict houses being left to bring areas down. I consider myself a conscientious landlord. I don't feel licensing will work without addressing empty properties.</p>	<p>The main objective of Selective Licensing is to raise management standards of privately rented properties. It ensures that landlords are able to deal with tenancy breaches, such as causing ASB and environmental crime. Each landlord must meet the standards required by the fit and proper person criteria. Those that do not operate the correct practices will be encouraged to improve or face being unable to operate in the area. This will improve management standards and help combat the characteristics of low demand including the number of empty properties.</p> <p>The Selective Licensing team work alongside the Empty Homes team who can offer Improvement loans to landlords (subject to criteria being met). The Council also has a capital programme to purchase a number of empty properties per year within the designated areas for renovation and resale, returning them back into use.</p> <p>Council tax charges of 150% are also imposed where properties are held vacant longer term to help deter investors from 'holding' properties empty in lieu of market rise. Within the proposed Trinity designation area, empty homes have steadily decreased since selective licensing was introduced. Between 2014 and 2017 this fell by a further 29%.</p>
18/9/2018	Homeowner	<p>It's too expensive and why Daneshouse isn't a selective licensing area.</p>	<p>The selective licensing regime in Burnley shows a relatively low application fee once all the available</p>

			<p>discounts etc. are applied, in comparison with other selective licensing schemes, as illustrated in the attached appendices.</p> <p>We are also proposing that Selective Licensing is introduced in the Daneshouse and Stoneyholme area at this time, with the consultation period running concurrently.</p>
18/9/2018	Landlord	Against Selective Licensing	Further detail needed to comment.
18/9/2018	Landlord	Against Selective Licensing	Further detail needed to comment.
16/9/2018	Landlord	Bad landlords should have been discovered and dealt with by now so don't really see the need to continue.	The private sector housing market is not static; changes in ownership and management involvement are ongoing and all licences are non-transferable. The improvements in property conditions already made can only be sustained and further developed by vigilance against poor management practices.
14/9/2018	Homeowner	All this just smacks of an austerity-driven Council (maybe with fingers in pies) turning to greedy privately sourced outside agencies; which again possibly involves the sinister overtones of Freemasonry in the upper echelons of power. If the Tory government had done what they were supposed to do in the Northern Poorhouse, and injected capital into this in the first place, then maybe we wouldn't have a housing crisis on our hands. Indeed, while we are at it, what about more provision for the homeless? Try asking the Church to open their all-encompassing doors, for it's not beggars on the streets that are offensive but the fact that we have people in this position in 2018. Councils across the country should collectively hang their heads in shame in this still very rich country for the few.	<p>It is not clear how selective licensing is able to address these concerns directly.</p> <p>Selective licensing does not work in isolation but is part of a wider Housing strategy including the Housing Needs Service that supports and assists homelessness households and those in housing need.</p>
14/9/2018	Homeowner	Not value for money; no visible improvement in the Trinity area. Good landlords penalised financially.	Selective Licensing's key objective is to raise standards in the management of privately rented

properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing anti-social behaviour and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. As a result of these improved management practices, areas with high proportions of private rented properties will improve.

With discounts, an accredited landlord who is already licensed in Burnley and returns their application within three months of the designation start, pays £1.42 per week for a five-year licence. In return, we offer landlords training, support and advice from area officers and tenant referencing. We also offer free accreditation through the Council's own Good Landlord and Agent Scheme (GLAS), and assistance to landlords having difficulty gaining access for maintenance.

In addition, since the start of the Trinity 2014 designation, average house prices have steadily increased. Empty properties have steadily decreased since selective licensing was introduced; between 2014 and 2017 this fell by a further 29%. Incidents of environmental crime also show a steady downward trend. Regarding the view that 'no visible improvements' can be seen in the Trinity area; whilst the area work we do may not always be externally evident in the physical street scene, it does contribute to area improvements; e.g. targeted partnership working to resolve ASB was delivered in 3 streets within the current Trinity designation affected

			<p>by significant youth nuisance. Reported incidents have since decreased, and monitoring by area officers continues.</p> <p>Selective Licensing compels landlords to engage with Officers and to have appropriate management standards to take action when required. The legislation is area-based; rather than targeting 'bad' landlords, any landlord operating within that area has to apply for a licence. To recognise that there are many good landlords, 30% discount to the selective licensing fee is available for those landlords accredited through GLAS.</p>
12/9/2018	Landlord	<p>The Licensing system strongly protects the tenant (a good thing) but offers very little if anything for the landlord (a bad thing) with the landlord having to pay for the license. I feel if help for the landlord (e.g. with late/non-payment of rent or gaining access to property for checks/gas checks etc.) was provided then the cost of the license would be more palatable for landlords.</p>	<p>Selective licensing aims to improve standards across the board, providing a level playing field for all landlords to help prevent undercutting by poorer management practices.</p> <p>Landlords may benefit from free training days, a tenant referencing service and support and advice from area officers who have a thorough knowledge of their own areas, in addition to free accreditation through the Council's own Good Landlord and Agent Scheme (GLAS). We already offer assistance to landlords and agents having difficulty gaining access for maintenance. The Council can be contacted if there is a particular concern.</p>
6/9/2018	Landlord	<p>After 10 years of licensing the area remains in the same state of disrepair as it did in 2008. Their remains build ups of rubbish in backyards of houses that have continued to use their backyards as dumping grounds over the years. The prices of property in the area have not increased over time nor has the standard of tenants the area attracts improved. Although licensing may seem like a good idea it doesn't apply to all landlords i.e. Calico and it is such organisations that attract the very worst</p>	<p>Through a coordinated approach between the Council and partner agencies, the Trinity designated area has shown a moderate increase in house value, a reduction in the number of empty properties, a reduction in incidents of anti-social behaviour, and environmental crime such as dirty back yards and streets also show a downward trend.</p> <p>Since the Trinity 2014 designation began, 281 inspections have been carried out under the Council's</p>

		<p>tenants hence the area doesn't improve. In my view the licensing is a complete waste of time and serves no purpose other than to create unnecessary jobs within the council. The cost of the license to landlords is such that it takes funds away from properties for which they are meant and in turn provides the council with an additional revenue stream.</p>	<p>Housing Standard Service. These inspections have ensured that properties are free from hazards affecting the health, safety and welfare of occupants. The licensing programme enables close working between area officers and Streetscene to ensure that incidents of fly tipping and dirty back yards are reported promptly, and the appropriate notices served for clearance.</p> <p>The process of applying for a licence ensures that properties meet a minimum legal standard in supplying annual gas safety certificates, Energy performance certificates, repairs reporting procedures and the presence of smoke alarms; again, without licensing this mechanism would be lacking.</p> <p>Despite these improvements, the proposed area remains in low housing demand in a Borough-wide comparison. Not continuing with selective licensing at this stage would present a risk that these improvements will not be sustained and built upon. Selective licensing legislation specifically exempts all registered social landlords (RSLs), and Calico have their own stringent conditions and complaints procedures. Selective Licensing is a self-financing programme, so does not provide the Council with a revenue stream. All monies received from application fees are ring-fenced solely for use on implementing the scheme, and the Council is not permitted to make a profit from it.</p>
6/9/2018	Landlord	<p>I have housing already licenced and have seen no improvement in the area or crime rate, quite the opposite in fact. I have been very disappointed with levels of back up offered from both police and the council when I have encountered problems with illegal activity and don't feel that the licence fee is justified.</p>	<p>Area officers are available to offer detailed advice on such issues. More generally, area officers meet with the Neighbourhood Policing teams on a weekly basis, and the Police see Selective Licensing as key partners in dealing with ASB and criminal activity within the areas. As reports are investigated, we contact the landlord to work in partnership with the agencies</p>

		<p>It represents a barrier to good landlords who would purchase in the area because like myself, they don't want the extra burden of cost on top of what we already pay to maintain our housing to a good standard. Personally I avoid buying property in a licenced area because of the cost. Since I house mostly benefit claimants I cannot pass the cost on, my tenants are unable to meet this. I feel aggrieved that I am a responsible landlord who offers good housing to tenants who otherwise may require the council to house them, I keep the rent at a level they can manage, and yet I am charged a fee for doing this and gain nothing in return.</p>	<p>involved and resolve problems. A multi-agency meeting is also held every six weeks, with weekly area surgeries for residents to raise any concerns regarding private rented properties in their area.</p> <p>The application process is structured to ensure all tenancy agreements contain robust and enforceable clauses preventing nuisance or annoyance being caused, whether by ASB or criminal acts. We offer support and advice to landlords to enable them to legally end the tenancy if the activity continues. We also provide free landlord training to help deal with this potentially difficult issue. Ultimately community warning and protection notices may be served, which are stages which must be taken in order to apply to the courts for a House Closure.</p> <p>We recognise that criminal activity and anti-social behaviour remain an issue. Whilst the proposals aim to tackle low housing demand, a key part of this is working with landlords, tenants and other residents to address such problems.</p> <p>The legislation does not facilitate the targeting of "bad" landlords; it is based on an area and any landlord operating within it must apply for a licence. The 30% fee discount offered to members of the Council's Good Landlords and Agents Scheme shows we recognise there are good landlords already operating in these areas.</p>
5/9/2018	Landlord	<p>Selective licencing has done nothing to improve the area in Trinity. There are still void properties. The area is run down. Mention Cog Lane to a prospective tenant and the first thing they say 'Oh it's very rough there'. There is a reoccurring issue with ASB there, which forced out a good tenant.</p>	<p>The Council recognise that the Trinity area faces continuing issues with persistent anti-social behaviour and are working with the Police and other partners to monitor this. In addition, daily monitoring of the area by our officers allowed us to identify and target a significant rise in ASB, mainly as</p>

		(DETAILS REDACTED), but left the perpetrators still in situ! Policing in the area is non-existent.	<p>a result of youth nuisance affecting 3 streets. As a consequence, through multi-agency tasking a 'Task and finish' group was set up to deal with the problem.</p> <p>The selective licensing team ensured that the landlords and managing agents of the private rented properties where some of the perpetrators lived were aware of the complaints and were supported in taking the necessary action. In addition, they coordinated a leaflet drop to all houses within the affected streets to ensure residents knew how to report the anti-social behaviour. While the number of reported incidents has decreased in this area, monitoring of these issues is ongoing.</p>
4/9/2018 Page 160	Landlord	Area needs urgent redevelopment.	<p>Selective Licensing is not a tool that is used in isolation. The Council are working on a number of initiatives and are in partnerships with agencies to help regenerate a number of areas in Burnley.</p> <p>Selective Licensing is necessarily a long-term approach to address low housing demand in areas facing arrange of complex issues.</p>
4/9/2018	Landlord	In a difficult rental market I do not really understand how adding additional charges would encourage the purchase of empty properties in the area.	<p>Although Selective licensing does work closely with the Empty homes team, it is not designed to encourage the purchase of empty properties. Its role is to establish, monitor and, where necessary, enforce minimum management standards to ensure that all landlords and managing agents operating within the designated area meet the required Fit and Proper criteria and maintain their properties to the required standard.</p> <p>Sales within the Trinity area have increased by 36% since the start of the second designation and house prices have increased by approximately £7000 in this</p>

			<p>time.</p> <p>The Empty Homes work alongside the Selective Licensing team to offer landlords several initiatives to help bring longer term empty properties back into use. These include interest rest free loans of up to £20,000 to landlords of longer-term vacant properties, subject to set criteria. They are also able to purchase, renovate and sell on a number of houses per year in the areas. The Council is also in partnership with Social Registered Landlords, such as Calico, who also aim to reduce the number of empty properties by buying and then renting them out.</p>
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Agree with Council's proposals to introduce Selective Licensing in Trinity

Date	Tenant/Landlord/Homeowner/Local Business	Query/Comment	Burnley Borough Council Response
22/11/2018	Landlord	I have recently acquired a property in Cog Lane, Burnley. I have applied for Selective Licensing but have not received approval yet. But speaking to the Licensing team at the Council I am assured I shall be approved the Licensing since my property is managed by an agent. I do not have much to do. I am appreciative of the Council for that.	The Council co-operates effectively with accredited managing agents, particularly those recognised by the Good Landlord and Agent Scheme. The Council are assured that the management practices of the Managing Agent in question are adequate and will contribute to the improvement of the Trinity area.
21/11/2018	Landlord	If selective licensing increases uptake of houses in this area it can only be a win/ win situation for all concerned.	There has been an increase in the number of house sales in the area. The average house price associated with those sales has also increased during Selective Licensing. With an additional 5 years of the scheme we are hopeful that this will continue.
20/11/2018	Homeowner	A good scheme that should help drive improvement in the local area.	Thank you for your comments regarding Selective Licensing in the Trinity area.
15/11/2018	Landlord	I think it will improve standards and fairness for all concerned.	Thank you for your comments in relation to Selective Licensing in Trinity.
14/11/2018	Landlord	I think there should be different levels of fees for landlords who have cases against them and those who do everything to ensure that their tenants get	There is a fee structure in place that aims to assist landlords. A discount of 30% is applied to the application fee for those that are accredited under the

		a good deal.	Good Landlord and Agent Scheme. Historically, discounts for early application have been given for those that apply within 3 months of the scheme starting. Alongside this, further reductions are made for those with additional properties.
25/10/2018	Homeowner	I think things improved with SL, but lately things are returning to how they were with regards to fly tipping. It seems the tenanted properties around Coal Clough Lane & Richmond St in particular put rubbish out in bags and old furniture. They do not seem to care about the surrounding properties.	We are glad you have experienced a positive change following Selective Licensing in the Trinity area. Improvements have been made in terms of environmental crime, and such incidents have decreased by 25% since 2014. We are hopeful that with a further 5-year designation that these issues will be combatted.
25/10/2018	Homeowner	The area needs to be managed in order to establish an ongoing improvement and by introducing the licensing system it should help.	The proposals out to consultation aim to build on the improvements already made; thank you for your feedback.
19/10/2018	Homeowner	We want the landlords to keep their properties in good order and put good tenants in.	Thank you for your comments regarding Selective Licensing.
19/10/2018	Other	Landlords should be responsible for making sure they have good tenants in their property always. This makes it easier for them and the other people in the area. People do not want anti-social behaviour and we could all get along if we have good landlords who check their tenants well.	Landlords are bound by their licensing conditions to reference all prospective tenants before placing them in a property. Failure to reference tenants and provide evidence of their methods will result in action being taken for breaches in licensing conditions. The selective licensing team also offers reference checks for landlords free of charge. These checks highlight any history of anti-social behaviour, but cannot highlight how the tenant has conducted their tenancy and any arrears. Landlords should always contact one another to establish how tenants acted in their previous tenancy to avoid issues of damage and arrears occurring.
19/10/2018	Homeowner	We want the landlord to get started on renovating (SPECIFIC PROPERTY, REDACTED)	Please contact the Selective licensing team for an update on this.
18/10/2018	Homeowner	Good idea, landlords need regulating. There are quite a number of properties in a poor state of repair which are an eye sore in this area (Trinity) which attracts the wrong sort of people.	The evidence shows some improvement, but Trinity still illustrates the characteristics of low demand. Selective Licensing provides the opportunity for properties and landlords to be monitored and further improvements made. A further 5-year designation will allow these to

			be sustained and built upon.
16/10/2018	Homeowner	It's very good to have selective licensing to keep the area properly managed and check that landlords let responsibly.	Thank you for responding to our consultation on Selective Licensing in the Trinity area.
14/10/2018	Homeowner	Too many motorbikes speeding up and down the road. Kids hanging around on the street with nothing to do.	We acknowledge that although there has been a minor improvement in anti-social behaviour in this area, which has reduced by 29% from 2014, there is still room for further progress. Selective Licensing is a long-term initiative, and we hope to continue working with our delivery partners to improve the area. In the meantime, please contact Streetscene with any incidents of ASB which cause nuisance or annoyance to neighbours; the selective licensing team work closely with Streetscene to resolve issues that arise.
13/10/2018	Homeowner	Having only lived in this area since May 2017, I don't know how it was previously, but I still feel there's a high level of anti-social behaviour. I also feel the well behaved residents who might've been here longer feel it's only natural that people will have fights in the street and bikers will go dangerously fast and excessively loud	Anti-social behaviour incidences have reduced; however, we appreciate there is still a lot of improvement needed in this area. The tenant referencing service and training for landlords in handling ASB issues contribute to a reduction in the number of occurrences, and if the area is designated as proposed, our area officers will continue to monitor and assist in this.
5/10/2018	Landlord	The area is improving slowly, in the recent months there are less empty houses, more needs to be done with anti-social behaviour and more investment as this area (around Queensberry Road has had little council investment)	We are glad you have experienced improvements under Selective Licensing. Anti-Social Behaviour has reduced under the scheme by approximately 5% since 2013, but this is a long-term initiative and we appreciate that there are still improvements to be made.
1/10/2018	Homeowner	This area is run down, rubbish is dumped anywhere and there is dog fouling. Ulster Street has had a front window boarded up for about 6 months and someone lives there. (DETAIL REDACTED).	Improvements have been made in terms of environmental crime, and such incidents have decreased by 25% since 2014. Regarding the specific issue with the property you refer to, the Selective licensing team have limited powers if a property is owner occupied but will work alongside other partners to assist. If the house in question is privately rented, please contact us regarding this issue. We will contact the landlord to ensure that the terms of the tenancy

			agreement are being properly enforced, and that the property is being managed appropriately.
25/9/2018	Homeowner	As a home owner (DETAILS REDACTED) in Trinity for the past 8 years, I have noticed a steady decline in home ownership, with buy to let being a popular choice. If the selective licencing means the money raised is ring- fenced for investment in the area then I am for it, if the money goes to the councils pot to help reduce the deficit then all this does is introduce more taxation without tangible benefit. Full disclosure, I am currently looking to put my house on the market as I no longer wish to live in this area.	The Trinity area has a high proportion of privately rented properties (46%), therefore Selective Licensing is an appropriate method for dealing with the issues of low demand that are evident here. The application fee that is associated with Selective Licensing is used for the implementation and monitoring of the scheme. The Council is not permitted to make a profit from this, but the funding goes into a range of targeted initiatives to improve the area.
25/9/2018	Homeowner	We hope, with the introduction of selective licensing, to see a considerable improvement of the front of all rented properties which currently require considerable improvement, namely: weeds, rubbish and overgrown shrubbery.	We agree that there are still improvements to be made regarding environmental crimes in privately rented properties, such as fly tipping and dirty back yards. Reported incidences have decreased by approximately 27% since 2010. We are hopeful this trend will continue with the proposed 5-year designation.
25/9/2018	Homeowner	Having selective licensing can only improve things. I have noticed the area improving with houses being renovated but then spoilt by having bad tenants put in, plus landlords that are not bothered as long as they get their rent.	The Council is pleased that residents are experiencing an improvement in the Trinity areas as a result of Selective Licensing. We aim to improve recurring issues, particularly Anti-Social Behaviour, with the continuation of the scheme. It is a condition of all licences granted that that landlords carry out tenant referencing checks with us prior to new tenants moving in. If there is an issue with anti-social behaviour, we ensure the landlord has the appropriate management procedures and skills in place to deal with this; we also offer them training, advice and support.
24/9/2018	Homeowner	I have lost all interest in my own property and will not spend another penny for any home improvements due to landlords and tenants driving down my property price by not maintaining their properties or vetting their	Selective Licensing is a long-term strategy concerning private-rented properties in areas that have experienced low demand. There have been a number of improvements within the area under the scheme, including a £7000 average house price increase since

		tenants properly. Any money we would spend would be dead money. If selective licensing is already in place then why are there so many ill kept properties and unsavoury tenants in the area? Maybe the council should inspect the area and the properties more often.	2013, a reduction in empty homes and a decrease in environmental crime. Anti-Social Behaviour has decreased; however, we appreciate that there are further improvements to be made. The Council have targeted their resources to undertake pro-active inspections to ensure that property and management conditions are at a suitable standard within the selective licensing areas. Our area officers monitor the areas on a regular basis (at least twice a week), carrying out regular street and back yard inspections, visiting tenants, meeting landlords on site etc. They also hold regular 'drop in' sessions in their areas which are open to all to raise any issues with private rented properties. With a continuation of the scheme, we aim to tackle the recurring issues and overturn outstanding characteristics of low demand.
24/9/2018 Page 165	Homeowner	I have lost all interest in my own property and will not spend another penny for any home improvements due to landlords and tenants driving down my property price by not maintaining their properties or vetting their tenants properly. Any money we would spend would be dead money. If selective licensing is already in place then why are there so many ill-kept properties and unsavoury tenants in the area? Maybe the council should inspect the area and the properties more often.	Selective Licensing is a long-term scheme that does generally not provide "quick fixes." There have been a number of improvements in the Trinity designation area such as an average house price increase of £7000 between 2013 and 2017. The number of empty properties has also decreased by 29% in this timeframe. We appreciate that there are still improvements to be made within the area, particularly in terms of anti-social behaviour. However, we are hopeful that with the measures we are able to take under Selective Licensing that a further 5-year designation will improve these issues.
24/9/2018	Homeowner	Any improvement will be good. I am fed up with seeing dirty, neglected, rubbish ridden, boarded up houses. I feel that some of the problem is due to landlords who don't live anywhere near Burnley buying properties and putting bad tenants in them.	The main objective of Selective Licensing is to raise management standards of privately rented properties. It ensures that landlords are able to deal with tenancy breaches, such as causing ASB and environmental crime. Each landlord must meet the standards required by the fit and proper person criteria. Those that do not operate the correct practices will be encouraged to

			<p>improve or face being unable to operate in the area. The number of empty properties in the Trinity area has decreased by 29% and the Council offers initiatives to limit this problem. Environmental crime has also reduced by 25% .</p> <p>We appreciate that there are still improvements to be made and are hopeful that with a further 5-year designation that these will be sustained.</p> <p>Under Selective Licensing the Council have introduced a '40 minute' rule, in which landlords must live within 40 minutes of Burnley to tackle absenteeism. Those living further away than this must acquire a local managing agent or appoint a local manager who is considered fit and proper to manage the property.</p>
21/9/2018	Landlord	<p>I am in favour of selective licensing and want it to continue. It helps us with vetting applicants for housing and gives us reassurance that other landlords have to check their prospective tenants before housing. My concern that without this the area would dramatically decline further and problems with ASB and problem tenants would rise. I think more could be done to improve boarded up houses in the area as this really does deter the right type of customers from moving to our houses in this area. No matter how good the standard of property inside the house, we could not let our property on Grange Street due to the poor appearance of other houses on this street-smashed windows, boarded houses.</p>	<p>The Council are glad that under Selective Licensing Landlords feel able to have suitable tenants living in their property. With a further 5-year designation we are hopeful that the improvements will be sustained.</p> <p>The Council have a number of initiatives regarding empty homes. Firstly, we are in partnership with Calico, who acquire properties and rent them as affordable housing. Secondly, the Council's Empty Homes Team run a programme that purchases a number of houses per year to renovate and resell. Alongside this, the Council's Empty Homes Team work alongside selective licensing to offer landlords the opportunity to apply for an interest-free loan to bring their properties back into use.</p>
15/9/2018	Homeowner	<p>There are a number of rented properties in this area with disruptive tenants; backyards full of rubbish etc. and I think selective licencing would be good for this area as it could put a stop to these problems.</p>	<p>Selective Licensing aims to improve areas that suffer from the characteristics of low demand by improving management standards; this includes anti-social behaviour and environmental crime.</p> <p>Tenant referencing ensures that anybody with a previous history of these incidences would need to be closely monitored and subject to appropriate</p>

			management.
14/9/2018	Homeowner Local Business Tenant	I think it's a good concept; however it's disheartening to see various agencies offering properties for rent when they aren't approved to manage properties in Selective licensing areas. A level playing field is paramount if this is to benefit everyone.	All managing agents operating within selective licensing areas must meet our 'fit and proper' criteria to be granted with a licence. Without a licence, or failure to meet conditions of the licence, landlords and managers can be subjected to Civil Penalties or a Prosecution. The respective maximum fines for these are £30,000 for Civil Penalties and unlimited for prosecutions.
14/9/2018	Tenant	I think its good selective licensing as a lot of these private landlords or managing agents think they can take your rent and not do repairs. I've lived here for 1 year and 2 months and I still have a hole in my fire breast wall and my son's bedroom floor boards have holes in and we have no garden gate.	The main objective of Selective Licensing is to raise management standards of privately rented properties. It ensures that landlords are able to deal with tenancy breaches, such as causing ASB and environmental crime. Each landlord must meet the standards required by the fit and proper person criteria. Those that do not operate the correct practices will be encouraged to improve or face being unable to operate in the area. The Council can perform proactive inspections to ensure that properties adhere to the minimum standards set by the HHSRS and to ensure that properties and landlords are not in breach of their licence conditions.
14/9/2018	Homeowner	It only seems a year ago we had one of these to fill in about licensing in the area and it seems nothing has been done to improve the area; empty houses, back yards full of rubbish could it be a lot of the houses were sold in London as a good investment so no landlords could be traced. If so, shouldn't we be able to take over these houses and put people who need a house to live in them?	Each of the designations in Burnley has lasted for five years, after which we would consult on whether to apply for a further designation. Empty properties in the area have reduced by 29%, and environmental crime has reduced by 27% since 2010. It is the Council's view that it is difficult to successfully manage a property where the manager is based a significant distance away. It is now a requirement of the application process that all managing agents (and proposed licence holders, where they manage their own property), must live within a 40 minute drive of Burnley. If they don't, they must use an accredited managing agent to maintain and manage the property and its tenants.
14/9/2018	Homeowner	There are at least 2 houses on (DETAILS REDACTED) which need to be licensed due to the	The street you specify sits just outside the Trinity designated area; it's not clear from your comments

		<p>condition of the properties. Also anti-social behaviour on the street has seen property values dwindle.</p>	<p>whether you would prefer the proposed designation boundary to be extended to include this street. The Selective licensing team are aware of the issues there and a significant number of neighbour complaints have been received. Our area officers worked closely with Streetscene's Anti-social behaviour team to help resolve these issues, and the property's managing agent was also involved. A number of Acceptable Behaviour Contracts were issued as a result, which has largely remedied the problem. Although the ASB complaints are now closed, officers will continue to monitor this.</p> <p>More generally, if the landlords of a property outside the designation also own other licensable properties, they would be expected to work to the same standard management practices across their whole portfolio. Those properties that are required to have a licence but haven't applied will be subject to Civil Penalties and/or prosecution. The level of compliance is approximately 94-99% for the licensable properties in our current designation areas. For any further information or concerns on this please contact the Selective Licensing team.</p> <p>Selective Licensing requires all tenants to be thoroughly reference checked, the council offers a service to assist with this. If prospective tenants are found to have had a history of anti-social behaviour, then landlords must ensure that they have the management practices in place to deal with this. All tenancy agreements must include a condition that addresses anti-social behaviour. Failure to reference tenants and provide evidence of their methods will result in action being taken for breaches in licensing conditions.</p>
14/9/2018	Homeowner	<p>Our view is about anti-social behaviour; landlords should vet their tenants better than what they are doing. Fly tipping, dirty back streets. Getting the</p>	<p>Selective Licensing's main objective is improving management standards for private rented properties. Landlords must ensure they have the correct</p>

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 159</p>		<p>landlord to maintain their properties, like painting outside, making their properties look nice. Where I live, the price of my house has dropped by £30k in the last 7 years.</p>	<p>management procedures in place and that they meet the fit and proper person's criteria. Failure to do this can result in landlords having to improve or being unable to operate in these areas.</p> <p>Selective Licensing requires all tenants to be thoroughly reference checked, and the council offers a service to assist with this. If prospective tenants are found to have had a history of anti-social behaviour, then landlords must ensure that they have the management practices in place to deal with this. All tenancy agreements must include a condition that addresses anti-social behaviour. Failure to reference tenants and provide evidence of their methods will result in action being taken for breaches in licensing conditions.</p> <p>Environmental crime within the Trinity designation area has reduced by approximately 25% since 2014. In addition since 2013 house prices have increased by approximately £7000. The Council appreciate that there are further improvements to be made, Selective Licensing is a long-term initiative, hence the proposal to consider a further designation.</p>
<p>14/9/2018</p>	<p>Homeowner</p>	<p>Unfortunately we have this in my street, there are still unsavoury people live on here, drugs involved, cars screeching at night and worse. Nothing is ever done about these tenants or landlords who put these people in.</p>	<p>Selective Licensing requires that landlords complete thorough reference checks on all tenants. If prospective tenants are found to have had a history of anti-social behaviour, then landlords must ensure that they have the management practices in place to deal with this. All tenancy agreements must also include a clause that addresses this issue.</p> <p>Please contact us to provide more detail so the issues can be investigated.</p>
<p>14/9/2018</p>	<p>Homeowner</p>	<p>Anti-social behaviour stems from the private rented houses. These people run riot round Trinity while the rich landlords live out in the country. The state of the houses and street detract value from privately owned houses. Used to be a lovely area years ago.</p>	<p>Reference checks are essential under Selective Licensing. If prospective tenants are found to have had a history of anti-social behaviour, then landlords must ensure that they have the management practices in place to deal with this. Owners living more than 40 minutes away from the property must have a</p>

			responsible local agent to ensure the effective daily management of the property and their management practices and procedures meet the required standard. The area's house prices have increased as a result of Selective Licensing by over £7000 since 2013. By continuing this scheme, we hope to bring the area up to the standards seen within other areas of the Borough.
14/9/2018	Homeowner	Home owner in area 60 years; please read this don't just shred it! Neglected house cheaply bought by long distance out of town buyers who are only interested in their investment and not the area. They leave it to letting agents who are only interested in their commission. Supposedly they should be monitoring the people and property they rent out. This doesn't happen, wrong people who don't give a damn are allowed to rent and let the houses go to ruin. Decent people who rent are ignored regarding repairs needed. So all goes back to square one, neglected property and the area goes down. Severe penalties should be given to the buyers and letting agents.	For those living over a 40 minute drive away from Burnley that wish to invest in property for the private-rented market, they must ensure that they have a local agent who is fit for purpose. This allows us to closely monitor the standard of properties and ensures that the management practices are adequate. Selective Licensing requires that all tenants are reference checked and the Council offers a service to assist with this. The scheme also allows for proactive inspections to be made and an improvement works schedule prepared and given to the owner to remedy any disrepair. Any landlord or agents found to breach the conditions of their licence, or fail to respond proactively to a disrepair complaint, may face either a Civil Penalty (of up to 30,000) or a prosecution with an unlimited fine.
14/9/2018	Homeowner	Some bad properties landlords so agree with you	Thank you for your comments relating to Selective Licensing in Trinity.
14/9/2018	Homeowner	Building next to Park Side church that is a problem is a concrete ex-electric sub-station. In the winter it is used a stable for horses, children climb onto the roof of it throwing stones, wood, bottles, shouting abuse, fires are lit at the back near to people's fences. Will someone be made to do something with this eyesore?	As the structure is not private rented housing, the Selective Licensing team are unable to act on this matter. We suggest that you contact Streetscene in the first instance, who work closely with our area officers, and will be able to advise on how to take the problem forward, e.g. the relevant utility company, Police Neighbourhood teams etc.
14/9/2018	Homeowner	Good idea to improve the area.	Thank you for your comments.
14/9/2018	Homeowner	Anything that improves this area has got to be good for Trinity ward. The condition of some rented properties especially on Coal Clough Lane	Thank you for your comments. There area has experienced a number of improvements which contributes to combatting issues of low demand. In

		is not good. Many back yards are full of rubbish. I wish the Council good luck with this initiative.	terms of environmental crime there has been a 25% reduction since 2014. Area officers monitor their areas on at least a weekly basis for dirty back yards, fly tipping etc., and work with landlords, managing agents and Streetscene to resolve issues. We appreciate there are still improvements to be made and are hopeful that with a further 5-year designation this will be developed upon.
14/9/2018	Homeowner	I moved here from Manchester approx. 5 years ago. During that period I have seen traveller sites replaced with new housing, a big plus. However anti-social behaviour is still extreme, littering, dog fouling is still a problem. My next door neighbour who rents is a roofer by trade and thinks its ok to stack his ladders in the front garden. It looks like a builder's yard. This is not acceptable!!!	We are glad you have experienced some improvements in the Trinity designation area. There has been an improvement in environmental crime and anti-social behaviour under the scheme; however, we recognise that there are still improvements to be made. With an additional designation period we aim to target these recurring issues.
14/9/2018	Homeowner	I cannot believe how many properties are empty and boarded up in the area! Surely if these people had to pay Council tax they would offload them! Why on earth can't the Council compulsory purchase them!	An increased Council tax charge of 150% for owners of long-term empty properties is already in place. There has been a reduction in the number of empty properties in Trinity by 29% between 2014 and 2017. With an additional 5-year designation we aim to reduce this number further.
14/9/2018	Tenant	It's good that tenants are being checked by landlords and the council this can only improve our area.	Landlords are bound by their licensing conditions to reference all prospective tenants before placing them in a property. Failure to reference tenants and provide evidence of their methods will result in action being taken for breaches in licensing conditions. The selective licensing team also offers reference checks for landlords free of charge. These checks highlight any anti-social behaviour that may have occurred; the checks however do not highlight how the tenant has conducted their tenancy and any arrears. Landlords should always contact one another to establish how tenants acted in their previous tenancy to avoid issues of damage and arrears occurring.
14/9/2018	Tenant	Fly tipping, constant anti-social behaviour from	The main objective of Selective Licensing is to raise

		(ADDRESS REDACTED). Kids being encouraged in anti-social behaviour, drugs use, threatening me and others on Cog Lane. Kids out till all hours.	management standards of privately rented properties. It ensures that landlords can deal with tenancy breaches and that they are categorised as 'fit and proper' persons. Those that do not operate the correct practices will be encouraged to improve or face being unable to operate in the area. As a result of this, the characteristics of low demand are tackled. Council officers are available to report any incidences of anti-social behaviour. Drop-in sessions are also available to report to an area officer. The Council work closely with other agencies such as the police and social registered landlords to address these concerns.
14/9/2018	Tenant	I agree with this idea wholeheartedly. It will definitely help to improve the area. I have an excellent landlord. I believe this is his only home in this area.	The Council is pleased that you have had a positive experienced renting in the Trinity area with your current landlord. Thank you for your comments.
14/9/2018	Homeowner	It's less than 15 years ago that large amounts of public money were spent on blocks in this area and yet within a couple of years some houses were already falling back. Now many are a disgrace and the whole area is in terminal decline. Slum clearance is the only way forward.	We assume this reference is to the Elevate 15 year programme, which unfortunately was cancelled before the end of its planned 15 year term due to changes in the national funding regime. Government no longer provide funding for such physical regeneration schemes. The Council and its partners are working on a number of initiatives to improve housing in Burnley. Selective Licensing is just one scheme that aims to deal with the private-rented sector in areas that have low demand.
14/9/2018	Homeowner	Areas shown mirror areas of high level ASB and overt street drug dealing. The negative influences young children have living here later lead to these lifestyles that promote ASB and dealing. Poor living standards are one of a few main causes of these influences and the landlord licensing system helps combat this. Our local criminals were innocent babies when I moved here!	Officers of the Selective Licensing Team meet frequently with the Neighbourhood Policing Team, ASB Officers and Registered Social Landlord Officers. Each agency reports any cases of ASB which are a cause of concern. The Selective Licensing Officers identify any properties within the Selective Licensing designations and resolve the issues. ASB cases are opened, the reports are investigated, and the Landlord is contacted to work in partnership with the agencies involved to resolve the ASB. The Landlord can end the tenancy if

			the tenant's behaviour is in breach of the tenancy agreement. Through selective licensing landlords are offered support advice and training to assist them to effectively manage tenancies and deal with ASB. Residents can contact the Selective Licensing team or report incidences at the regular drop-in session. A member of the Licensing team, neighbourhood Police Team and Ward Councillors are present to ensure that any matter reported is investigated and resolved.
14/9/2018	Homeowner	Will keep in contact with the office and vice/versa. Still problems with landlords and empty properties, rubbish etc. The housing and Streetscene teams help us as much as is possible.	Thank you for your comments, The Council are glad that you have utilised the Council's services for reporting problems and have found them to be helpful. We appreciate that there are still improvements in the area and are hopeful that with a further 5-year designation that these can be achieved.
10/9/2018	Landlord	Super idea.	Thank you for your comments.
10/9/2018	Landlord	I agree with selective licensing because it keeps on top of the area and hopefully prevents it from returning to the state it was in before SL was introduced.	Thank you for your comments; The Council are happy that you have experienced an improvement in Trinity through Selective Licensing.
10/9/2018	Landlord	I think selective licensing should be continued. It is clear to see the improvements made to the area in the past few years and it would be a shame to risk letting the area slip to how it was before SL was introduced.	Thank you for your comments; The Council are glad that you have experienced an improvement in the area as a result of Selective Licensing.
6/9/2018	Homeowner	I fully support selective licensing. Rogue landlords have for a long time been allowed to get away with poor management of their properties. This has had an adverse effect on the area. I work and own my own property; I would like to live in a nice area with good neighbours, not a slum with neighbours who are anti-social. I have lived in this area for 26 years and it has drastically declined. This is down to rogue landlords and the fact they have been allowed to mismanage their properties is purely down to the local council.	Thank you for your comments. With a further 5-year designation of Selective Licensing we aim to overturn the negative effects of low demand that are still prevalent in Trinity.

5/9/2018	Homeowner	Why are Buccleuch St, Grant St and Weldon St not on the map? As a long term resident here I have seen a decline in the area this has been due to the majority of the properties being rented out by unscrupulous landlord who let their properties to anyone who will pay, causing a nuisance and creating slums.	All three streets are covered by Selective Licensing. The names have been omitted on the map that was sent out on the Questionnaire as a result of a lack of space. Please see https://www.burnley.gov.uk/residents/housing/private-rented-sector/selective-licensing for a full list of all street names included in Selective Licensing. Selective Licensing is designed to help raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing anti-social behaviour and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. As a result of these improved management practices, areas with high proportions of private rented properties will improve. A further 5-year designation will allow us to build on the current improvements.
5/9/2018	Homeowner	I am in agreement with anything that may make the area a nicer and safer place to live. The back streets in the area are a mess.	Thank you for your comments regarding Selective Licensing. We are hopeful that with a further 5-year designation there will be a greater improvement for environmental crime. Any incidences can be reported to the Council through Streetscene and to the selective licensing team to ensure the landlord, (and agent if applicable), is aware of and complying with the required standards.
5/9/2018	Homeowner	We need better homes and landlords in this area then maybe we will get better people in the area	Selective Licensing aims to overturn the characteristics of low demand that Trinity has experienced. By setting minimum requirements and standards this will contribute to the area's regeneration.
4/9/2018	Landlord	Selective licencing should continue with particular reference to other landlords and how letting agents vet tenants. I remember before licensing	Landlords are bound by their licensing conditions to reference all prospective tenants before placing them in a property. Failure to reference tenants and provide

		(DETAILS REDACTED) a tenanted house in the area was in a bad state, including the presence of dead dogs and their excrement. (DETAILS REDACTED)	evidence of their methods may result in action being taken for breaches in licensing conditions. The selective licensing team also offers reference checks for landlords free of charge. These checks highlight any anti-social behaviour that may have occurred; the checks however do not highlight how the tenant has conducted their tenancy and any arrears. Landlords should always also contact one another to establish how tenants acted in their previous tenancy to avoid issues of damage and arrears occurring.
4/9/2018	Homeowner	I live (DETAILS REDACTED) , on this street, there are two empty properties that have no back gates on the backyards and are full of rubbish. At the back is Piccadilly Rd, there are four empty houses; all have no back gates on them and all are in bad repair. One has no windows in it which have smashed; all have rubbish in the backyard and they have been like this for years. Is there nothing you can do about this?	Incidences of environmental crime can be reported to Streetscene to be dealt with. The Selective Licensing team only has powers over properties that are privately rented but do work alongside the Empty Homes Team on a number of initiatives to improve this characteristic of low demand. They offer interest-free loans of up to £20,000 for accredited agents with properties that have been vacant for more than 6 months in Selective Licensing areas. They are also able to purchase a number of houses per year that meet set criteria for renovation and eventual resale, returning them to active use. Please contact the Empty Homes Team regarding these properties, who may be able to assist.
4/9/2018	Homeowner	The empty garage on Prestwich Street needs addressing. If private landlords need to sort properties for houses this business landlord/owner also needs to be held accountable. (Specific property) needs work externally, and another may be overcrowded (FULL DETAILS REDACTED). Happy to have selective licensing in this area but will there also be selective tenants? This year on Netherby Street there has been significant ASB (FULL DETAILS REDACTED).	The Selective Licensing team only has powers over properties that form part of the private rented housing sector. If the first property referred to is privately let, please contact us with more detail and we will pursue this with the landlord. Selective Licensing makes it a requirement that all tenants are reference checked with us prior to letting a property. Any person with a known history of anti-social behaviour will have to be managed by a landlord that has appropriate management arrangements to deal with any possible issues. Failure to reference tenants and provide evidence of their methods can

			result in action being taken for breaches in licensing conditions. Landlords should always contact one another to establish how tenants acted in their previous tenancy to avoid issues of damage and arrears occurring. If you continue to experience ASB issues, please contact either the Selective Licensing area officer or Streetscene's anti-social behaviour team.
3/9/2018	Homeowner	There are too many empty houses in the area, many in a bad state of repair.	Thank you for your comments regarding Selective Licensing in the Trinity area. The Empty Homes team works alongside Selective Licensing on a number of initiatives to tackle empty properties. This includes interest free empty property loans of up to £20,000 for accredited agents. They can also purchase a number of properties each year for renovation and re-sale. With a further 5-year designation we are hopeful that the recurring issues will be tackled.
3/9/2018	Homeowner	Too much rubbish is constantly left in alleys. Unoccupied back yards are left full of rubbish/black bags; bulk rubbish left in alleys and fly tipping a problem. Bulk rubbish collections should be billed to landlords not at expense of rate payers!	Under Selective Licensing it is the Landlord's responsibility to ensure their property is managed and maintained to a good standard. Please report such incidences to Council officers to ensure they are dealt with.
3/9/2018	Homeowner	I agree with this move, I think it is about time all landlords are held accountable for their tenants' behaviour. There are good landlords but also a vast number who are only interested in making money and don't think about the neighbours.	Thank you for your comments regarding Selective Licensing. Under the scheme, it is the Landlord's responsibility to ensure their property is managed and maintained to an acceptable standard and that their tenant follows the conditions within their Tenancy Agreement.
3/9/2018	Homeowner	I think that it should be mandatory that ALL rented properties in the Trinity area should be licenced	Selective Licensing is targeted at areas that have featured low demand and have a high-proportion of privately-rented properties.
3/9/2018	Homeowner	In theory I believe selective licencing works for the most part. However with my experience this past year, it does not seem to be strict enough on Landlords. If they do not take responsibility for	Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as

		<p>the anti-social behaviour of the tenants renting their property, the burden falls to the local authority and the surrounding residents affected by the behaviour to prove the behaviour is being committed. It is a really lengthy process and detrimental to the well-being of other residents - especially when the residents are home owners and cannot move as easily as someone renting could.</p>	<p>causing anti-social behaviour and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. As a result of these improved management practices, areas with high proportions of private rented properties will improve.</p> <p>If landlords do not adhere to the conditions of their licence they face their licence being revoked and Civil Penalties or prosecution being issued against them. At the time of writing, 26 landlords representing 41 properties have been successfully prosecuted for failure to apply for a licence. 4 landlords representing 5 properties have received civil penalty notices totalling £55,000. 18 Rent Repayment Orders have been made and upheld by the Residential Property Tribunal.</p>
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Page 178

Do you agree with the Council's proposals?' left unticked.

Date	Tenant/Landlord/Homeowner/ Local Business	Query/Comment	Burnley Borough Council Response
18/9/2018	Tenant	<p>Place and area is a **** hole! Back street is supposed to have secure gates and locks. I have never seen them since I moved in. Rats constantly around the area, in back yards and back street. We should get a discount on Council tax.</p>	<p>Please ensure that you report these concerns to Streetscene. We are hopeful that with an additional 5-year designation any characteristics of low demand will continue to be overturned.</p>

Appendix 6

Gannow Transcript

Disagree with Council's proposals to introduce Selective Licensing in Gannow

Date	Tenant/Landlord/Homeowner/ Local Business/Managing Agent	Query/Comment	Burnley Borough Council Response
16/11/2018	Landlord	I dislike licensing completely. There has been no upside for me as a landlord; nothing has changed except I lose an additional month's rent from each of my properties. My advice to other landlords is not to buy in licensed areas.	<p>Selective Licensing's aim is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area.</p> <p>We acknowledge that there is a fee associated with the application of a License. However, this can be subjected to a number of discounts. For example, through applying for accreditation under the Council's Good Landlord and Agent Scheme a 30% discount can be applied. The application fee can be as low as £369, which compared with other Council's operating the scheme nationwide is on the lower end of the spectrum. There is also the option to pay this via Direct Debit to make it as affordable as possible. Landlords benefit from the initiatives that arise through Selective Licensing; these include training, support and advice from area officers and tenant</p>

			referencing.
15/11/2018	Landlord Managing Agent	THE SCHEME IS USELESS	-
15/11/2018	Landlord Tenant Homeowner	I'm not at all sure that selective licensing works. I have yet to see proof. Crime in the area appears to have got worse with robberies and break-ins constantly being posted on local social media. I feel "taxed" by selective licensing. I have one rented property in the area which I bought with pension savings. I look after the house and my tenants (Why shouldn't I?) and I feel the money I pay out is just another tax. Tax the bad landlords and take them to court but please don't "hurt" the decent ones who are just supplying a good home for someone to rent. Don't get me wrong, I do understand the reasons for it. Why not check the property in the area before applying the tax to see whether it ticks all your boxes of being up to standard. Tax the ones that aren't.	<p>The priority for Selective Licensing is to improve standards of property management across the private rented sector, and these improvement swill only be seen if the scheme applies to all equally. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area.</p> <p>Evidence does show an improvement in the area; e.g. the number of reports of Anti-Social Behaviour to the Council has decreased from 38 at the beginning of the designation to 27. Without a further five year designation, such results may not be continued. The application fee is not a tax; it ensures the implementation and monitoring of the scheme. The fee can be lowered through the offer of a number of discounts. A 30% reduction is accessible for Landlords that are GLAS accredited, there is a discount for those who apply within the first 3 months and additional properties also incur a reduced price. We acknowledge that there are many good and responsible landlords. However, it is evident that some landlords need to improve their management and are required to undergo training to ensure they</p>

			<p>are aware of their responsibilities. Working with landlords, tenants and managing agents we want to improve the sector and its reputation. We offer support and advice for landlords through landlord development days, tenant referencing checks and assistance from our area officers.</p> <p>The Council do proactively inspect properties in the selective licensing areas to ensure property conditions are improved. Licensing is still required to improve the management arrangements are in place for the property.</p>
14/11/2018	Landlord	<p>I really fail to see any benefit and have not experienced any actions nor heard of any action that has occurred as a result of selective licensing in this area. As a good and competent landlord it is always in my interests to have a good property, good tenants and good relationships with neighbours. I do not need tainting by landlords who choose to be not quite so good by paying more money which actually reduces the cash available for improvements and will have an inflationary effect on rents in the long run.</p>	<p>Selective Licensing has resulted in a number of improvements within Gannow in the 5 years of its first designation. The average house price in the Selective Licensing area increased by nearly £4,000 since 2013, bringing the average up to £44,311(2017). In this same time frame the number of empty properties has decreased by 6%. The number of incidences of environmental crime that has been reported has also decreased considerably. In 2014/15 there were 266 reports, compared to 172 in 2016/17.</p> <p>As a result of actions taken against landlords, a number of Civil Penalties and Prosecutions have occurred. Civil Penalties can be issued for up to £30,000 and there is no maximum fine associated with a Prosecution. We are not able to disclose full details of these cases, as that would conflict with data protection legislation. We acknowledge that there are still improvements to be made within this</p>

			<p>area and with a further 5 year designation we hope these developments would be sustained.</p> <p>We do not dispute that there are good landlords operating in the area, however Selective Licensing must be applied to all landlords. It is evident that some landlords need to improve their management and are required to undergo training to ensure they are aware of their responsibilities.</p> <p>There has been no evidence that Selective Licensing has resulted in an increase in rents. The application fee is aimed to be made as affordable as possible following discounts and the option for payment of Direct Debit. We are hopeful this will have little or no impact on rents.</p>
14/11/2018	Landlord	<p>We disagree that this borough is in a low housing demand area when compared to the wider borough. Selective licensing has already been in place in this borough and is due to end in 2019. It is not fair and reasonable to expect private landlords to continue paying selective licensing fees in order rent properties within the borough especially seeing as though fees have already been paid for at least the past 5 years and to renew for another five years is just another money making exercise for the local authority. Powers are already in place to deal with privately rented properties within the borough. We have not seen an improvement in the areas you have introduced selective licensing other than increased costs for us as landlords!</p>	<p>Within the Selective Licensing area of Gannow, 49% of properties are privately rented. Areas that have greater than 19% of housing as privately rented are classed as having a high proportion of this accommodation type.</p> <p>This level of concentration requires good management practices. Selective Licensing's main aims incorporate the need for these standards to be raised. Landlords must meet the 'fit and proper person' criteria and have necessary management in place to deal with any potential breaches of tenancy.</p> <p>The area still experiences some of the characteristics of low demand. The average house price in 2017 in Gannow was similar to that of the average Borough house price at approximately £88,000. The Selective Licensing designation area within Gannow's average house price however, was considerably lower at approximately £44,000. This is around half the value</p>

			<p>of the average house price in Gannow and the entirety of Burnley alike. This average has increased with Selective Licensing.</p> <p>The Council does not make a profit from the scheme. The monies received are to fund its implementation and monitoring. The Council offers a number of initiatives to help landlords manage their properties and deal with issues relating to tenants. These include training days, support and advice from officers and tenant referencing.</p> <p>The Council's Enforcement team is able to enforce minimum standards in private rented properties, and in some instances we make use of Management Orders to take control of the property where improvements are not made. In these cases the Council steps into the role of the landlord and brings the property up to the required standard; the landlord does not receive any rent whilst the Order is in place, and funds are directed to improving the property.</p> <p>Whilst this is an effective service, it is reactive and depends on tenants/neighbours/family members making a complaint to us. Unfortunately many tenants are unwilling to make complaints regarding poor landlords for fear of retaliatory eviction. To support selective licensing the council undertake proactive inspections within the designations to ensure property conditions meet the required standards.</p> <p>The designation area has seen improvements under the period of Selective Licensing that is due to end in</p>
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			<p>July 2019. Average property price within the Selective Licensing area has increased by approximately £4000, the number of Anti-Social Behaviour and Environmental Crime reports to the Council have decreased (38 to 27 and 266 to 172 respectively). Alongside this, the number of Empty Homes has decreased by 6% since the start of the designation. Without a further 5 year designation, we cannot guarantee that these improvements will be sustained.</p>
14/11/2018	Landlord	<p>Property prices will not change to what they are now regardless of what you need to improve. Perhaps you should start to rotate areas on a 5 year basis instead of focusing on the same areas</p>	<p>The main aim for Selective Licensing is to raise the standards of management practices within the private rented sector. If landlords fail to adhere to these standards, they may be obliged to appoint an accredited managing agent to act for them, face possible future action or ultimately be refused a licence to operate.</p> <p>The benefits already showing in the area are a result of these improved practices. Property prices have already started to increase within Gannow's designation area. In 2013/14, prior to Selective Licensing, house prices averaged £40,599. By 2016/17 they have increased to £44,311. Rotating the areas that are subjected to Selective Licensing risks making only minor initial improvements, which would not be sustained. Selective Licensing is widely acknowledged to be a longer term method for improvement.</p>
17/10/2018	Landlord	<p>The Selective licensing scenario seems to be more about punishing landlords and causing them additional expense. I agree there are a number of less reputable landlords but there are many, many less reputable tenants that we have to deal with.</p>	<p>Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and</p>

		<p>The benefits from a landlord point of view are negligible compared to the costs and additional pressures being placed on the landlord.</p>	<p>environmental crime. Legislation does not allow us to consider the types of landlords but is an area based scheme that ensures all landlords within areas that have a large proportion of private rented properties improve their standards.</p> <p>The Selective Licensing team helps provide support and advice regarding managing problematic tenants. Alongside this, the scheme provides training to ensure that Landlords know how to manage their property and tenants appropriately.</p> <p>We also provide a free and quick tenant referencing system for landlords, prior to a tenancy being taken up, and advise landlords on the necessary checks they should also carry out to determine whether the prospective tenant is suitable for their property.</p> <p>The cost of the licence is structured in a way that aims to help good landlords and encourage them to co-operate with the council. There are discounts available for those that are GLAS accredited, those that have been previously licenced and those that return their application within 3 months of the designation's introduction. This can bring the application cost down to as low as £369. We have also introduced direct debits as a method of payments after landlords requested this. This ensures the scheme is as affordable as possible for landlords.</p>
9/10/2018	Landlord	<p>The street I have the property on, Mitchell Street, has no problems that the selective licensing is meant to tackle and this was the same when this was applied originally. I also believe that individual properties that are rented should be reviewed, regardless of licensing I have always maintained my property and carried out all works and checks,</p>	<p>The main priority for Selective Licensing is to raise the standards of management for private rented properties. It ensures that landlords are able to deal with any problems that may arise as a result of a breach of tenancy, including anti-social behaviour and environmental crime. All landlords managers are assessed against the fit and proper person criteria</p>

		<p>having long standing tenants that also care for the property. It is frustrating that everyone is tarred with the same brush, and neither I nor the street has benefited from these measures as there were no problems initially. It is equally frustrating when I know of a number of landlords with properties within the selective licensing areas that are not complying with licensing, as they rent privately and have not declared this to the council. It is landlords such as this that are also causing problems.</p>	<p>and adequate management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area.</p> <p>There are additional benefits that arise for the area by improving management techniques.</p> <p>The chosen designation area within Gannow has experienced a number of characteristics of low demand. These include, low property values, high numbers of empty homes alongside high incidences of environmental crime and anti-social behaviour.</p> <p>Mitchell Street was included due to its high proportion of rented properties. The street also presents difficulties, particularly relating to dirty back yards. Area officers visit their areas on at least a weekly basis to monitor and resolve any issues and perform inspections on houses that are of concern. By ensuring that thorough reference checks are completed it reduces the risk of additional problems being caused. It is a condition of the licence that each landlord also performs their own referencing. We do carry out spot-checks on landlords to investigate how references are checked. Failure to reference tenants and provide evidence of their methods will result in action being taken for breaches in licensing conditions.</p> <p>We do not dispute that there are good landlords operating in the area; however there are concerns within the private rented sector in Burnley of insufficient management practices and poor standards. With Selective Licensing we are able to</p>
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			<p>monitor landlords and their properties and provide advice and support for those who may have issues. Tenants are often reluctant to complain about the properties through fear of a retaliatory eviction. With Selective Licensing, proactive inspections are carried out, improvement schedules drawn up and monitored to ensure they are resolved before the deadline.</p> <p>A weekly exercise is carried out in the Gannow area to monitor property turnover and licensing status. General compliance rates for applying for a licence are approximately 94-98%, but if you have any further concerns on this, please contact the Selective Licensing team.</p>
8/10/2018	Landlord	<p>I do agree that the area needs help but the problem with the licenses is that they are really expensive. For myself, who only has one house, it's money that I won't be able to invest in the property. I am concerned that the cost of the license and the mortgage will impact on my ability to maintain the property.</p>	<p>The cost of the scheme is designed to be as low as possible and a number of discounts are available. The current fee structure includes a 30% reduction for those accredited by the Council's Good Landlord and Agent Scheme. Historically, a discount of £100 has been offered for those returning an application within 3 months of the start of the designation. Further discounts are applied for those previously licenced. The application fee can be as low as £369. Taking this into account, in comparison with other Councils' operating Selective Licensing in England, this ranks at the lower end of the scale. Alongside this there is also a direct debit payment method available to ensure that the scheme is as affordable as possible. The Council is not permitted to make a profit from Selective Licensing and all monies received are used in implementation and monitoring of the scheme.</p>

23/9/2018	Landlord Local Business Homeowner	<p>Over the lifetime of the current Licensing, there have been no significant improvements in these areas. There are still many properties that people no longer wish to own or rent & can be seen offered for sale to unsuspecting buyers at between £15k and £25k. In particular there are still far too many unwanted 2 bedroom terraced properties that are owned both privately or by landlords. They are not worth improving significantly, as their value won't increase significantly & as most can only be let to tenants funded by Housing Benefits, based on the very basic, Local Housing Allowance (LHA), which sadly makes no allowance for some of the better properties in the same area when determining the average rental rate for each property. As such, it is being left to tenants to top up from their own income, above the LHA rate to obtain a better quality property. As Burnley Council already had & still has now, adequate powers to address poorly maintained properties without obtaining these Licenses, it is now becoming even more obvious that the main beneficiary to gain from imposing these Licensing Fees is Burnley Council itself. The millions of pounds currently being obtained in Licensing Fees (which the Housing Department have refused to release details to Landlords written requests over the years or at landlord meetings with the Council, or for this huge income to be known more easily publicly, for debate), is in fact clearly being used to significantly support the Councils own Departmental & Central overhead costs. Thereby helping to avoid showing such a large & very profitable gain. We are further</p>	<p>The main objective of Selective Licensing is to raise management standards of privately rented properties. It ensures that landlords are able to deal with tenancy breaches, such as causing ASB and environmental crime. Each landlord must meet the standards required by the fit and proper person criteria. Those that do not operate the correct practices will be encouraged to improve or face being unable to operate in the area. As a result of this, areas that have a high proportion of private rented properties will improve and overturn the characteristics of low demand.</p> <p>The Gannow designation area has seen a number of improvements in the 5 years that it has experienced Selective Licensing. Average house prices in the Selective Licensing area increased by nearly £4000 since 2013, bringing the average up to £44,311. In this same time frame the number of empty properties has decreased by 6%. The number of incidences of environmental crime that has been reported has also decreased considerably. In 2014/15 there were 266 reports, compared to 172 in 2016/17. With a further 5 year designation we are hopeful that these improvements are developed upon to reverse the characteristics of low demand.</p> <p>The Council's Enforcement team is able to enforce minimum standards in private rented properties, and in some instances we make use of Management Orders to take control of the property where improvements are not made. In these cases the Council steps into the role of the landlord and brings the property up to the required standard; the landlord does not receive any rent whilst the Order is</p>
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		<p>advised that the Council in taking this approach, also avoids being seen as “grazing off the backs of Burnley landlords” by charging these unnecessary licensing fees, which ultimately are a charge on the poorest families & tenants in the Borough, who still choose to rent from the private sector & who ultimately bare the cost of these unnecessary, overly bureaucratic & costly Licensing Fees. This response along with any comments the Council would wish to make, would be most welcomed if allowed to be printed in our local Burnley Express, to stimulate further true debate, as opposed to the one sided views currently being expressed by the Burnley Council.</p>	<p>in place and all funds are directed to improving the property. Whilst this is an effective service, it is reactive and depends on tenants/neighbours/family members making a complaint to us. Unfortunately many tenants are unwilling to make complaints regarding poor landlords for fear of retaliatory eviction. Through proactive inspections more properties are improved to ensure the condition meets minimum standards.</p> <p>Burnley Council is not permitted to make a profit from Selective Licensing. The fee associated with the License application funds the implementation and monitoring of the scheme. Regarding finances, information on budgeting is provided on the Burnley Borough Council website at www.burnley.gov.uk. Any additional information needed may always be requested as a freedom of information request.</p> <p>The application fee can be reduced significantly through considering the discounts that can be applied. These are for early application returns, accreditation under the Good Landlord and Agent Scheme and having been previously licenced within the Borough. Once these discounts have been applied, the application fee is comparatively low when considering other councils operating the scheme nationwide. Alongside this, there is the option for payment to be taken through Direct Debit. Burnley Council aims to make the application fee as affordable as possible.</p> <p>The information that is taken from each application</p>
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			for Selective Licensing is all necessary to process the correct information needed for a Licence. This information then makes it possible to monitor each property for issues that may arise in future.
18/9/2018	Landlord	As a landlord with a property in this area I think that with the improving situation as identified in your letter dated 03/09/18 there is no need to continue with the licensing beyond the current term. This imposes additional costs on landlords with little possibility of recovery from tenants.	<p>The improvements that have been made in Gannow's Selective Licensing area are at risk of diminishing without a further 5 year designation. The main objective for Selective Licensing is to raise management standards. Ensuring landlords reach the required measures in terms of their management and the fit and proper person criteria helps to do this. Those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. The scheme is most effective in the longer term, as results may then be sustained.</p> <p>The cost of the application is necessary to ensure the scheme can be implemented and monitored. Burnley Council has adopted a fee structure that helps good landlords. There is a 30% reduction for those accredited under the Good Landlord and Agent Scheme, discounts for those previously licenced and a £100 reduction for those that return their application within 3 months of the designation's introduction. There is also an option to make this payable by direct debit to make the application fee more affordable.</p>
18/9/2018	Landlord	Against Selective Licensing	View noted; further explanation needed to comment.
18/9/2018	Landlord	Against Selective Licensing	View noted; further explanation needed to comment.
14/9/2018	Tenant	I think it's a joke; there is constant anti-social behaviour on Windsor Street. Constant balls being kicked into back yards. Properties being broken to retrieve footballs. (ADDRESS AND OCCUPANTS	With Selective Licensing, we aim to reduce these incidences of anti-social behaviour by ensuring that adequate management practices are in place to deal with them. Issues regarding anti-social behaviour,

		REDACTED) They shouldn't be living in a two bed property.	<p>environmental crime and other potential problems should be reported to the Selective Licensing team. An officer attends a drop-in every 2 weeks on Wednesdays at Gannow Community centre at 10.30am, and any issue may also be raised here. This session is also attended by local police officers and/or councillors. Anti-social behaviour is best tackled through a multi-agency approach, and the designation allows officers to work closely with Streetscene's anti-social behaviour team and community policing to resolve such issues.</p> <p>We acknowledge that the scheme is a long-term approach, hence why we feel a further 5 year designation is needed in the Gannow area.</p>
8/9/2018	Landlord	As a Landlord I would like to know exactly what improvements have been made in the area and what my licence fee has been used on. I have seen no evidence of money being spent in the area to improve its appearance. It is generally shabby with poor roads and pavements.	<p>Selective Licensing's main aim is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager is assessed against the fit and proper person criteria and management standards. Those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. The application fee is used to implement and monitor the scheme. It allows for area officers to provide support for tenants and landlords who may encounter issues. Landlords are provided with free training, including on dealing with anti-social behaviour. Officer advice and support is on offer from area officer, who also provide a free tenant reference checking service. Face lifting schemes are</p>

			<p>also available to improve the aesthetic of selective licensing areas, as are Empty Homes interest-free loans to landlords to help bring longer term vacant properties back into use.</p> <p>Selective Licensing does not fund high-way repairs; however these can be reported via https://www.lancashire.gov.uk/roads-parking-and-travel/fault-search/</p>
7/9/2018	Landlord	<p>Licence fees are too high in comparison to the perceived benefits. I have not seen much improvement in the area. Good landlords like me are being penalised.</p>	<p>Selective Licensing aims to establish a 'level playing field' of management standards in areas of proportionately high private rented sector properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager is assessed against the fit and proper person criteria and management standards. Those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. This must be applied to all landlords to ensure standards are raised collectively. The scheme does not aim to penalise good landlords, but to improve property management in areas suffering from low demand or poor property conditions. Through the scheme a number of benefits are made available to landlords, including advice and support from area officers, Landlord Development days, a forum for networking and a tenant referencing service.</p> <p>Licence application fees are structured to be made as affordable as possible. There are a number of</p>

			<p>discounts available for those who complete their application early, those accredited under the Good Landlord and Agent Scheme and those who have been previously licenced before. There is also the option to pay this via Direct Debit.</p> <p>Gannow has experienced significant improvements during its current designation. Average house prices increased by nearly £4000 since 2013, bringing the average up to £44,311. In the same time frame, the number of empty properties has decreased by 6%. The number of incidences of environmental crime that has been reported has also decreased considerably. In 2014/15 there were 266 reports, compared to 172 in 2016/17. With a further 5 year designation we are hopeful that these improvements will be built upon to reverse the characteristics of low demand.</p>
6/9/2018	Landlord	<p>Landlords are not responsible for the behaviour of the tenant, in the same way mortgage lenders aren't either.</p> <p>All the elements covered in the selective license are covered by other laws, this is duplication carried out at the landlords expense.</p> <p>Instead of spending landlords' money on administration, if the council cleared housing that would increase demand on a relative basis.</p>	<p>Whilst we recognise that landlords are not responsible for their tenants' individual behaviour, it is the responsibility of the landlord to have effective management practices in place to deal with this and that is the main aim of the Selective Licensing scheme. The objective is to raise standards in the management of privately rented properties, by ensuring that all landlords operating within the designated area have practices and procedures in place which deal effectively and lawfully with breaches of tenancy such as causing ASB and environmental crime, and where this is lacking, to help provide it. By performing adequate checks on tenants prior to agreeing a tenancy, (a condition of all licences) the risk of anti-social behaviour is minimised, and the Selective licensing team provides</p>

			<p>a service to help with this. It also makes it mandatory that all tenancy agreements contain enforceable clauses to ensure both tenant and property are protected, and poor tenant behaviour is tackled. It is true that enforcement action may be taken under other legislation than Selective licensing; e.g. in some instances Management Orders may be imposed to take control of the property where improvements are not made. In these cases the Council steps into the role of the landlord and brings the property up to the required standard; the landlord does not receive any rent whilst the Order is in place, and funds are directed to improving the property.</p> <p>Whilst this is effective, it is purely reactive and depends on tenants/neighbours/family members making a complaint. Unfortunately, many tenants are unwilling to make complaints regarding poor landlords for fear of retaliatory eviction. Through proactive inspections more properties are improved by ensuring the conditions meet minimum standards.</p> <p>Burnley does have an overwhelming proportion of terraced housing due to its economic and social history. Over 50% of Burnley's housing is terraced and over 71% of dwellings were built before 1919. A housing clearance initiative on such a large scale is neither affordable nor practical. The national Government-funded former Elevate programme did fund the demolition of many terraced properties within Burnley. New houses were then built, including within some Selective licensing areas, which vary in size with more parking and open space. These</p>
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			<p>new developments have helped to provide more choice for residents. The Government no longer fund this type of physical regeneration. The Council do however continue to fund the empty property initiative, which continues to tackle long term empty properties causing problems within neighbourhoods.</p> <p>Even with physical regeneration, a poor private rented sector undermines the regeneration of neighbourhoods as landlords do not manage the tenancies or condition of the properties.</p>
6/9/2018	Landlord	<p>Existing licensing over the past 5 years appears to have been a simple funding exercise, which is considered a tax on landlords whether good or bad & with no significant visible benefit. The cost to enforce improved property standards should be placed solely & squarely on owners / landlords of properties which clearly fall short of a reasonable standard of accommodation & refuse / fail to improve.</p>	<p>The main aim of Selective Licensing is to increase the standards of management within the private rented sector. The Council does not profit from Selective Licensing, and all monies received through the application fee are used for administering, processing and monitoring the scheme. The application fee is not a tax on landlords. The Council has aimed to make it affordable through the application of a range of discounts and the option of payment via direct debit.</p> <p>Landlords may also benefit from the scheme by attending Landlord Development days, seeking the support and advice of area officers and using the tenant referencing service. Proactive inspections are carried out to identify hazards that tenants might not identify, or be unwilling to do so through fear of retaliatory action.</p> <p>Where disrepairs are found, a schedule of required works is issued and the landlord/owner is already required to bring their property up to the required standard, as any disrepair identified must be rectified within given timescales.</p>

5/9/2018	Landlord	<p>At the end of the day, the councils who introduce these selective licencing schemes say it is all about ensuring all landlords are fit and proper but really it is all about money. For example I applied for a selective licence with one particular council who shall remain nameless and I accidentally submitted the application without the gas safety certificate. They did not care, they were just happy to receive the money and granted the licence. What happens with these Selective Licence schemes is the extra costs incurred for landlords just gets transferred over to the tenant in the way of a rent increase. Is that what Burnley Council want, higher rents for tenants?</p>	<p>Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager is assessed against the fit and proper person criteria and management standards. Those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area.</p> <p>Burnley Council ensures that thorough validation checks are made so all the correct documentation is recorded before granting a licence. The Gas Safety Certificate is a mandatory requirement for Selective Licensing and without it, a licence will not be granted. The Council does not profit from Selective Licensing; the monies raised by the application fee are used for administering and processing the scheme.</p> <p>We aim to make the application fee as affordable as possible by applying discounts to those that submit their application early, those that are accredited under the Good Landlord and Agent Scheme and those that have been previously licenced. This can be as low as £369 for an application fee, which is relatively low when considering other Council's operating the scheme country-wide. There is also the option to pay this via direct debit to make it more manageable. We trust that with these incentives, the application fee is not passed to tenants through increased rents, and there is no evidence from previously designated areas that this has happened.</p>
5/9/2018	Landlord	I don't believe the selective licencing is working for	Selective Licensing is designed to address poor

		<p>me. It feels like the landlord is the one under the spotlight with the additional checks performed on landlords and the financial cost makes the property less profitable. My next door property has been empty for over 6yrs with boarded windows/doors & the yard area becoming a dumping ground with 10foot trees growing through the cracks in the concrete & the impact on letting my property has been significant & with this being a selective licencing area, the current owner is not being held to account.</p>	<p>management techniques that have been displayed by landlords, and to ensure that the necessary management is in place to deal with breaches of tenancy. This in turn will contribute to improvements in the area and the overturn of characteristics of low demand and poor property conditions.</p> <p>The application fee for Selective Licensing is made as low as possible by providing discounts for those that have already been licenced, those that return their application early and those that are accredited under the Council's Good Landlord and Agent Scheme. Alongside this, there is the opportunity to pay via Direct Debit to ensure that payment is manageable.</p> <p>You do not state whether the adjacent property is owned by a landlord operating elsewhere, or just in private ownership, so we are unable to answer this specific issue. If the property is owned by a landlord, please contact us with further details.</p> <p>Generally, long-term empty properties are subjected to a 150% Council tax to deter such owners. The Council also offers a number of initiatives for empty homes within selective licensing areas. These include the opportunity to apply for an interest-free loan of up to £20k and a partnership with Calico who renovate and rent out the property. The Council purchase a number of long term empty properties per annum for renovation and resale.</p>
5/9/2018	Landlord	<p>I'm sad to say but selective licencing does nothing for Landlords other than add cost and reduce the value of properties in the area, because the additional cost of licencing affects the sale value.</p>	<p>Selective Licensing's main aim is not assist landlords (though we do), but to raise standards in the management of privately rented properties. It ensures that landlords have the necessary</p>

		<p>Criminal activity has been frequently reported in the area (not on my street) but police do not react more quickly to a licensed area than any other.</p>	<p>management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager is assessed against the fit and proper person criteria and management standards. Those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. The scheme also provides support to landlords who may struggle with various issues relating to tenants. Landlord development days, a tenant referencing system and the help and advice of area officers can all be utilised as a tool to help deal with any problems that may arise. Information and support is provided that helps with the management of properties and tenants.</p> <p>The cost of the application fee is structured in a way to make it as affordable as possible. This includes early application discounts, discounts for those accredited under the Good Landlord and Agent Scheme and a reduction in price for those previously licenced. This application fee, which can be as low as £369, can also be made payable by direct debit, making payment more manageable.</p> <p>Under Selective Licensing in Gannow, there has been an increase in average house prices. In 2013/14 the average house price was £40,599 and this has increased to £44,311 by 2016/17. With an additional 5 years under Selective Licensing, this may be sustained, and landlords stand to benefit from this. A Selective Licensing designation would not have an impact on police reaction rates to criminal reports. However, area officers do work closely with the Police and if these incidences are reported to the</p>
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			Council, additional monitoring may be put in place to limit further occurrences in the area.
4/9/2018	Landlord	I think selective licensing is a waste of time and money. The area has not improved.	<p>Selective Licensing's key aim is to improve the management of private rented properties. All landlords and agents must meet the standards set by the fit and proper person criteria, and have appropriate practices in place to deal with breaches of tenancy. Failure to meet these standards can result in landlords being unable to operate in these areas.</p> <p>There is evidence to prove that the area has improved under Selective Licensing. This includes increase in house prices, less empty properties, and a reduction in rates of anti-social behaviour and environmental Crime. The scheme offers initiatives to support and train Landlords so that they are able to deal with any issues that may arise.</p>
3/9/2018	Landlord Local Business Homeowner	The scheme is a joke in Gannow. I bought a house to rent to my son and his friend to get them started out with their credit scores and to let them learn how to budget. We bought an empty derelict property and brought it back into use only to have to pay £700 to the Council for the pleasure. What was even better was receiving a letter a couple of months after to say the Council wanted to buy the house from us! Are the facts that I have to pay £700 to the Council to provide local housing to a local person and the fact that the Council wants to buy that house connected? This is not a commercial arrangement which the Council's scheme seems to be set up to regulate and on top of that we apparently aren't entitled to the discount rate for landlords because by the time we were able to	<p>The selective licensing legislation grants a specific exemption from the need for a licence where evidence can be provided of a family relationship between landlord and tenant. We suggest you contact the Selective Licensing team regarding exemptions and further advice on this.</p> <p>In this circumstance it is possible that you were contacted in error regarding the Council wanting to buy your property. The Council only purchase long-term empty properties in order to renovate and then resell them, to improve the aesthetic of the area and bring the property back into use. Your property was possibly mistaken for still being empty and derelict whilst being renovated; no housing market is static and although properties are regularly monitored, it</p>

		<p>restore the house to a habitable space the discount period had ended! No wonder local people don't want to invest in the area given this money making scheme that does not enable exceptions to be made for non-commercial activities. Extending this nonsense into other areas is another way for the Council to make money not to encourage improvement in housing stock. That aim has clearly failed in this area. I will be looking to invest in neighbouring Council areas to keep my next child in a home in East Lancashire.</p>	<p>may have been missed.</p> <p>The 'early bird' application discount was offered to those that applied within 3 months of the scheme's designation, to encourage compliance. There are further discounts that can be applied to make this more affordable; this includes discount for those accredited under the Good Landlord and Agent Scheme and an application fee reductions for those previously licenced. There is also the option to make payment through Direct Debit to assist with the management of the application fee.</p> <p>The Council do not make a profit from Selective Licensing. All monies that are received through the application fee go towards administering and processing the scheme, managing any problems that come in to the team.</p> <p>The aim of Selective Licensing is to improve management standards within the private rented sector. Landlords must ensure that they have adequate practices in place to deal with any potential tenancy breaches. They must also meet the fit and proper person's criteria. The resulting improvement in management standards then benefits the local area.</p> <p>Improvements have been made within all areas that Burnley Council have designated under Selective Licensing. This includes increases in house prices, reduced incidences of anti-social behaviour and environmental crime and a decrease in the number of empty properties.</p> <p>The scheme has proven successful in the Gannow area as house prices have increased by approximately</p>
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			£4000 since the beginning of the designation. Alongside this there has been an improvement in terms of reports to the council of Anti-Social Behaviour, environmental crime and the number of empty homes.
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Agree with Council's proposals to introduce Selective Licensing in Gannow

Date	Tenant/Landlord/Homeowner/ Local Business/Managing Agent	Query/Comment	Burnley Borough Council Response
16/11/2018	Landlord	I think the licenses are a good idea but they need to be cheaper.	We aim to keep the cost of the scheme as low as possible. The Council is not permitted to make a profit from Selective Licensing and all monies received are used in implementation and monitoring of the scheme. In the current fee structure, there are a number of discounts that can be applied. These include a 30% reduction for those accredited by the Council's Good Landlord and Agent Scheme. Historically, a discount of £100 has been offered for those returning an application within 3 months of the start of the designation. A further price reduction has been offered for those that have more than one property to license. Taking this into account, in comparison with other Councils operating Selective Licensing in England, Burnley ranks at the lower end of the scale.
22/10/2018	Landlord	The licensing in Gannow Area has definitely improved the area. This really must continue.	We are glad you have had a positive experience in the Gannow area as a result of Selective Licensing.
17/10/2018	Homeowner	I think this is a great idea as sadly over the years	Under Selective Licensing a number of improvements

		<p>this once well-kept and peaceful area has descended into a crime ridden and dilapidated slum. It is mainly due to the never-ending stream of problem tenants who use the backstreets as a dumping ground and shout and scream and fight at all hours, often with the police involved. This is damaging the area as a whole, affecting house prices for those of us lucky enough to own a property. Elderly residents are prisoners in their homes due to the behaviour of some tenants' children running amok day and night.</p>	<p>have been experienced. With the support of all community members and a further 5 year designation, we are hopeful that the area will experience a significant positive change. Residents can call into the Gannow Community Centre at 10.30 am every alternate Wednesday to report any concerns they may have within the Gannow Area. A member of the Licensing team, neighbourhood Police team and Ward Councillors are present to ensure that any matter reported is investigated and resolved.</p>
16/10/2018	Housing Association Tennant	<p>Selective Licensing is a good idea if it is going to be managed properly. Regular checks on the properties and the tenants are needed.</p>	<p>The Council undertake proactive property inspections in the designation area. Through these proactive inspections more properties are improved by ensuring the conditions meet minimum standards. The Council offers a tenant referencing service in which potential tenants are checked using Council systems. It is a condition of the licence that each landlord performs their own referencing. We do carry out spot-checks on landlords to investigate how references are checked. Failure to reference tenants and provide evidence of their methods will result in action being taken for breaches in licensing conditions</p>
11/10/2018	Homeowner	<p>Around surrounding areas i.e. Nairne St, Coal Clough Lane areas, some of the tenants are terrible, loud music motorbikes etc.</p>	<p>Thank you for your comments. Through Selective Licensing we are able to challenge such behaviour from tenants. Residents can call into the Gannow Community Centre at 10.30 am every alternate Wednesday to report any concerns they may have within the Gannow Area. A member of the Licensing team, neighbourhood Police team and Ward Councillors are present to ensure that any matter reported is investigated and resolved.</p>

9/10/2018	Homeowner	<p>It is a good idea for all parties involved, however, there needs to be clear definitions and a simple contact point. A good example is the house next to us is rented; however last Friday a brick was put through their back window and last night a brick was put through their front window, leaving people close by worried. There is glass everywhere and there is no way of knowing who is responsible for the property; the couple renting it have not been seen. Originally there was a contact form in all the windows providing who was responsible for the property, these have all disappeared.</p> <p>On a positive note much of the antisocial behaviour has decreased, except on Penistone Street, due the significant number of houses that are empty. This has led to fires, windows being broken and rubbish being left in back yards.</p>	<p>Any issues that occur within Selective Licensing areas are able to be reported to the Council's area officers. These officers will then relay any concerns to the properties' landlords or managing agents in order for an effective way of dealing with the situation to be made.</p> <p>We are glad that you have experienced a general improvement in terms of anti-social behaviour. Landlords are encouraged to provide neighbouring properties with contact details in case of anti-social behaviour, so if you contact the selective licensing team, we will ensure the landlord does so. We appreciate that there are still improvements to be made and acknowledge that Selective Licensing is a long-term strategy. With a further 5 years we are hopeful that additional developments would be made.</p> <p>Residents can call into the Gannow Community Centre at 10.30 am every alternate Wednesday to report any concerns they may have within the Gannow Area. A member of the Licensing team, neighbourhood Police team and Ward Councillors are present to ensure that any matter reported is investigated and resolved.</p> <p>There are a number of Empty Home initiatives that will aim to address these issues. These include empty homes loans that are available to a limited amount of people and the work of the empty homes team. They purchase a number of empty properties for refurbishment and resale each year.</p>
9/10/2018	Managing Agent	I believe it would be advantageous to continue with selective licencing. I think it helps with anti-social behaviour, problem landlords & tenants. However,	We are glad you think Selective Licensing has helped Gannow in terms of anti-social behaviour, problematic landlords and tenants. Research has

		I am not convinced it has had any impact on house prices	shown that house prices within the designation area have increased on average by £4000 since Selective Licensing was first introduced, a minor improvement in the right direction. With the continuation of the scheme we are hopeful that these results will be developed further.
8/10/2018	Homeowner	I don't think that landlords keep the properties up to scratch. They seem to let them run down, also renting room by room. This area should be nice family houses; we have six schools in walking distance in this area. I have lived in my house for over 50 years but Gannow has now deteriorated.	With Selective Licensing we are able to monitor and manage issues that relate to poor property conditions and low demand. The Council are able to undertake proactive inspections in order to do this. We appreciate that there are still improvements to be made in Gannow, however we are hopeful that with a further 5 year designation that these issues can be combatted. As the legislation on houses in multiple occupancy have changed recently, if you still have concerns regarding renting by room please contact us and we will investigate.
8/10/2018	Homeowner	Some landlords do not check their property and their tenants. Back streets are full of rubbish because new tenants put all the things left by the old tenants on the back streets. Children are causing trouble, damaging property and being left by their parents to roam the streets. I have lived in this area for over 30 years and it's seen a great decline.	Through Selective Licensing we are able to monitor and manage such incidences. With a further 5 year designation these concerns should be addressed. Residents can call into the Gannow Community Centre at 10.30 am every alternate Wednesday to report any concerns they may have within the Gannow Area, or report them to the team. A member of the Licensing team, neighbourhood Police team and Ward Councillors are present to ensure that any matter reported is investigated and resolved. Area officers monitor their areas regularly for issues such as dirty back yards and fly tipping, and work closely with Streetscene to eradicate this. You can also report any incidences of accumulating rubbish to Streetscene through the

			www.burnley.gov.uk website
5/10/2018	Landlord	The area has improved and the new houses being built will make things better	We are glad that you have experienced a positive change in the Gannow Selective Licensing area.
1/10/2018	Homeowner	<p>I feel the area has deteriorated and feel a lot of this is due to Landlords not vetting prospective tenants properly.</p> <p>In the local area there has been an increase in anti-social behaviour and littering and fly tipping which seems to coincide with the increase in rental properties around the area.</p>	<p>Through Selective Licensing, the Council offers a tenant reference checking service, to ensure that the potential tenant is suitable for that property. It is also a condition of the licence that each landlord performs their own referencing. We do carry out spot-checks on landlords to investigate how references are checked.</p> <p>Failure to reference tenants and provide evidence of their methods will result in action being taken for breaches in licensing conditions.</p> <p>Anti-social behaviour incidences have decreased by 22.5% since the beginning of the designation and environmental crime incidences have decreased by 35%. We are hopeful that with the continuation of the designation the issues such as ASB and environmental crime will decrease.</p>
26/9/2018	Homeowner	We support the renewal of the selective licensing. Living in the area it is improving now that the landlords are being more picky about who they put in houses. Penistone Street is still a problem with derelict and empty houses.	We are glad that you have experienced a positive change in Gannow as a result of Selective Licensing. The Selective Licensing team operates alongside the Empty Homes team. They are currently working on an initiative in which they have the power to purchase a number of properties per year to renovate and re-sell. There are also interest-free loans of up to £20,000 available properties that have been vacant for over 6 months.
25/9/2018	Homeowner	I think this is very much needed to stop landlords from leaving properties to deteriorate and also not handle tenants correctly. E.g. landlord on street where I live rented out to criminals and bypassed meters -landlord didn't care and took no steps to	<p>Thank you for your comments. With Selective Licensing we are able to monitor and manage situations like the issues you describe.</p> <p>Residents can call into the Gannow Community Centre at 10.30 am every alternate Wednesday to</p>

		combat. If licensed, the Council could intervene.	report any concerns they may have within the Gannow Area. A member of the Licensing team, neighbourhood Police team and Ward Councillors are present to ensure that any matter reported is investigated and resolved. We also suggest that you contact the Selective Licensing team.
24/9/2018	Homeowner	Due to anti-social tenants etc. in the area the house prices have gone down approximately 50%. Approximately 10 years ago houses were selling between 70 to 80 thousand pounds. Now you are lucky to get £40,000.	The area that has been designated under Selective Licensing has experienced characteristics of low demand, including low house prices. The scheme operates as a long-term initiative but under the current designation these house prices have already increased by an average of approximately £4000. With a further 5 year designation we are hopeful that these averages will increase, so reflecting those in the rest of the Borough.
20/9/2018	Tenant	I think the idea of having landlords registering their properties is a brilliant idea; it not only keeps the area clean and tidy but prevents them from abusing tenants.	Thank you for your comments in relation to Selective Licensing within the Gannow area.
18/9/2018	Homeowner	Someone quite recently asked a question about the Gannow area on Facebook. Mostly the responses were negative. However in my opinion they were wrong. It may have had a bad reputation some time ago but since the introduction of selective licensing it has become a decent, nice place to live. Close to amenities and great community centres along with park land and the canal. Selective licensing has been brilliant and I hope it will keep up. Something should be done regarding boards being used as (illegible text)	Thank you for your comments regarding Selective Licensing. We are glad that you have experienced a positive impact as a result of Selective Licensing. We hope that this would continue to improve with an additional 5 years of Selective Licensing. Unfortunately we are unable to read the specific comment you make regarding boards in the area, so please contact the Selective Licensing team with details.
14/9/2018	Homeowner	The area has taken a massive down turn. There is a lot of crime and drug dealing going on. It is not fair that once such a good area is going to the dogs.	Selective Licensing is a long-term initiative to overturn the characteristics of low demand. Under the current Selective Licensing scheme, average

		<p>You, the council, are paying rent for these people to live in this area, so I would suggest before things get even more out of control you make it a priority, as house prices are dropping which is not fair.</p>	<p>house prices within the area show a moderate increase from £40599 in 2013/14 to £44,311 in 2016/17. With an additional 5 years of Selective Licensing, the aim is for house prices to become closer to the Borough's average.</p> <p>Residents can call into the Gannow Community Centre at 10.30 am every alternate Wednesday to report any concerns they may have within the Gannow Area. A member of the Licensing team, neighbourhood Police team and Ward Councillors are present to ensure that any matter reported is investigated and resolved.</p> <p>We also suggest that you contact the Selective Licensing team who can help to deal with these issues.</p>
14/9/2018	Homeowner	<p>How could anyone not agree to the proposal? I have lived in the area at the same address for 48 years, and have seen the area deteriorate with many houses becoming rented properties.</p>	<p>Thank you for your comments. With a further 5 year designation, Selective Licensing will contribute to improvements within the area.</p>
14/9/2018	Homeowner	<p>Selective licencing is a must have for Gannow we really need it here. Empty houses are awful to live near. You always worry about break ins & vandalism and they end up looking tatty and an invitation for children & teenagers to mess about in the back yards at day & night; it's hard to get to sleep worrying about it. Smashed windows are also happening a lot (a worry). Please help the Gannow Area.</p>	<p>Thank you for your comments regarding Selective Licensing in the Gannow area. Through Selective Licensing there has already been an improvement in the area. We appreciate there are further developments to be made and acknowledge that the scheme is a long-term initiative. We are hopeful that with another 5 year designation, the area sustains and adds to its improvements.</p> <p>Residents can call into the Gannow Community Centre at 10.30 am every alternate Wednesday to report any concerns they may have within the Gannow Area. A member of the Licensing team, neighbourhood Police team and Ward Councillors are present to ensure that any matter reported is</p>

			investigated and resolved.
14/9/2018	Tenant	If it's going to improve the bad landlords and all the inadequate housing in Gannow it can't really be a bad thing it can't get any worst round here	Thank you for your comments regarding Selective Licensing.
14/9/2018	Homeowner	Just the thing this area needs make it work!!	Thank you for your comments.
14/9/2018	Homeowner	I am a home owner in the Gannow area and fully support the renewal of the selective licensing. Although the figures you quote do not show a dramatic improvement I can say that the lived experience of being a resident in the Gannow area has improved. It seems that there is less anti-social behaviour. This could be due to landlords feeling the financial pressure and being more careful about their choice of tenants. It appears that the "bad" landlords that were less choosy seem to have gone. A consequence seems to be that they have left some properties empty, neglected and decaying, on Penistone Street in particular. This is a major concern for me because I live in full view of the eyesores on a daily basis. Many thanks again for including me in the consultation.	We are glad that you have experienced a positive change in Gannow as a result of Selective Licensing. The Selective Licensing team operates alongside the Empty Homes team. They are currently working on an initiative in which they have the power to purchase a number of properties per year to renovate and re-sell. This aims to improve the aesthetic of the area and deter people from pursuing anti-social behaviour or environmental crime around vacant properties. Interest free loans of up to £20,000 are also available to the landlords of such properties within Selective Licensing areas.
14/9/2018	Homeowner	The value of our house gone down; not many homeowners in our street as all are now rented, also with all the comings and goings the area has become run down, dirty and scruffy. You don't want to know your neighbours any more as the way they live with their filthy habits and lifestyles it's not how we live (SORT IT)	Selective Licensing is a long-term strategy. We are hopeful that with a further 5 year designation additional improvements will be made and maintained. Residents can call into the Gannow Community Centre at 10.30 am every alternate Wednesday to report any concerns they may have within the Gannow Area. A member of the Licensing team, neighbourhood Police team and Ward Councillors are present to ensure that any matter reported is investigated and resolved.
14/9/2018	Tenant	I believe it's getting better as not too many	We are delighted you have experienced the

		idiots/druggies in area. It's getting better where I lived for years THANK YOU	improvements that Selective Licensing has achieved in the Gannow area.
14/9/2018	Homeowner	I have lived here in the Gannow area all my life it is fast becoming a problem with run down housing. The landlord at (ADDRESS REDACTED) does not give a damn about the tenants; all he wants is his rent from (REDACTED).	<p>Thank you for your comments regarding Selective Licensing. Residents can call into the Gannow Community Centre at 10.30 am every alternate Wednesday to report any concerns they may have within the Gannow Area. A member of the Licensing team, neighbourhood Police team and Ward Councillors are present to ensure that any matter reported is investigated and resolved.</p> <p>We strongly suggest that you continue to report any issues and consequently we can book an inspection for these properties. We are hopeful that with a further 5 year designation, further improvements will be made and sustained.</p>
10/9/2018	Landlord Managing Agent	About time this was introduced	Thank you for your comments regarding Selective Licensing.
5/9/2018	Homeowner	I agree with selective licensing for this area and hopefully it will help clean up certain the parts	Thank you for your comments regarding Selective Licensing.
4/9/2018	Landlord	I feel all rented properties in an licensed area should be included not just certain streets or properties	Selective Licensing is used to target particular areas that have experienced specific problems. These include characteristics of low demand and poor property conditions. Selective Licensing is only able to deal with properties that are privately rented.
4/9/2018	Landlord	The Selective Licensing initiative put in place in this area was critical and to end now would be a huge mistake. Whilst many may originally have been suspicious / cynical the results have been positive and important for the wider area.	The Council are happy that you have experienced a positive change in the area and agree that the re-designation of Gannow is imperative in achieving the desired results.
4/9/2018	Landlord	I think selective licensing is a positive thing; it gives more power to deal with problem landlords and tenants. It may take a while for things to get sorted	We are glad you appreciate that Selective Licensing is a long term process that will help to improve the area. The main objective of Selective Licensing is to

		<p>but it's worth it in the end; everything has to go through a process, nothing is instant, but knowing who is landlord of what and where they can be contacted is a starting place.</p>	<p>raise management standards of privately rented properties. It ensures that landlords are able to deal with tenancy breaches, such as causing ASB and environmental crime. Each landlord must meet the standards required by the fit and proper person criteria. Those that do not operate the correct practices will be encouraged to improve or face being unable to operate in the area.</p> <p>With a further 5 year designation we hope that these results will be sustained and greater improvements made.</p>
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Appendix 7

Queensgate Transcript

Disagree with the Council's proposals to introduce Selective Licensing in Queensgate

Date	Tenant/Landlord/Homeowner/ Local Business	Query/Comment	Burnley Borough Council Response
23/11/2018	Managing Agent	I think that selective licensing should end in this area now.	Selective Licensing is a long-term strategy for addressing characteristics of low demand by improving management standards in the private rented sector. With a further 5-year designation all improvements that have been made, including rising house prices, improvements in property conditions, reduced incidences of anti-social behaviour and a decrease in the number of empty homes can be developed upon.
19/11/2018	Landlord	Council charges are very high. We will look after our property regardless.	<p>Whilst we recognise that there are many decent landlords who look after their properties, there are still public concerns over the condition, management and reputation of the private rented sector in Burnley. Selective licensing, like all licensing regimes operated across the country, is there to protect communities and visitors, manage public health risks and respond to public concerns. Selective Licensing compels all landlords to work towards the same standards so that management practices and conditions meet the same standards, helping to provide a level playing field for all landlords and preventing undercutting by poor practice.</p> <p>The private rented sector in parts of Burnley has a poor reputation due to both ineffective management</p>

			<p>and poor property conditions. We want to work with landlords and agents to raise their standards and improve the reputation of the private rented sector in Burnley. It is not our aim to penalise good landlords, which is why we to offer a 30% discount to landlords who are already accredited under our Good Landlord and Agent scheme, together with reductions for those landlords already licenced. Unfortunately, there are a significant number of landlords who do not operate to an acceptable standard, and selective licensing legislation allows us to tackle these. The legislation does not give us the ability to distinguish between types of landlords, but is an area-based scheme, so all landlords within a designated area require a licence.</p>
16/11/2018	Landlord	<p>Selective licensing has given landlords no security or protection from bad tenants. My tenant has not paid me the shortfall of the rent for a year and I still have to go through a solicitor and court proceedings and pay all the fees and expenses. I paid a person for some work for my tenant and he didn't complete the job; the selective licensing team told me they couldn't help with this so I had to pay another amount to someone else to do the jobs. I had to get registered with GLAS as well to get the license, even after I provided all the security checks and the license fee. There is no such scheme for the tenants like a good tenant scheme which could monitor the bad tenants and give security to the landlords. I have found the Selective licensing team very threatening and unhelpful, not cooperative or understanding.</p>	<p>Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management skillset to deal with breaches of tenancy, such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards. Those without the correct procedures in place will be encouraged to improve by becoming accredited, appointing an accredited managing agent or ultimately face being unable to operate in the area.</p> <p>It is a condition of the licence that all landlords complete reference checks on potential tenants. This could include a credit check so that the landlord has a better idea of how the tenants have previously handled their financial affairs. Landlords are also advised to contact the tenant's previous landlords to</p>

			<p>ensure no issues or arrears have arisen. The Council also offers a service to assist with reference checking. Whilst this will never guarantee that the tenant will not fall into arrears, it does give the landlord a better picture of to whom they are letting their property to. The suggestion of a 'good tenant' scheme would operate completely voluntarily, and in our experience such schemes are ineffective.</p> <p>It would also be a breach of data protection (GDPR) to share detailed information regarding tenants; however, with the use of the Council's reference checking service, area officers can and do advise whether a tenant is suitable for your property, or if further monitoring would be required for that tenant. We aim to ensure that management practices are adequate to deal with any issues that may arise through a tenancy and offer advice and support to landlords to encourage this.</p> <p>The Council is unable to intervene in contractual arrangements between yourself and contractors. However, we are available for advice and can provide a Council advisory list of contractors; just contact the team.</p> <p>All managers must be accredited under a recognised scheme. GLAS membership is recommended as the Council's own approved accreditation programme. It allows us to ensure that minimum standards are met regarding property conditions and management practices, limiting the need for future intervention. GLAS membership is free and is designed to ascertain that the property is properly managed. The Selective Licensing team aim to co-operate in a helpful manner</p>
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			for all those making enquiries. However, it is also our responsibility to ensure that all licence applications and conditions are adhered to, and this is necessary to act fairly in our dealings with all landlords. This is also a legal requirement; where possible future action may be taken, our correspondence necessarily has to warn of the potential legal outcomes.
15/11/2018	Landlord Managing Agent	THE SCHEME IS USELESS	Unable to respond without more detail.
15/11/2018	Landlord	I feel I am not getting value for money from Burnley Council for the licence fee charged. The fee must be pro rata; I was charged the full £750 for 18 months and when it expires in July you expect me to pay again. I have raised several issues with you regarding the void property next door and you have done nothing. I have good hardworking tenants and they do not deserve to live next to a stinking rat infested tip.	<p>The application fee for Selective Licensing is used for the administration, processing and management of the scheme. The fee is required to process the application, implement and monitor the scheme. The Licence is valid for the full 5-year designation period and expires when the designation ends.</p> <p>The fee is an application fee, the full price is payable regardless of when the property was purchased. We aim to make the fee as manageable as possible through the several discounts on offer, including an early application discount, a reduction in price for those previously licenced and a 30% discount for those accredited under the Good Landlord and Agent Scheme. This can lower the fee to £369; effectively a payment of £1.42 per week per property for a landlord who is already licensed and accredited. There is also a Direct Debit option available, to ensure it as affordable as possible.</p> <p>Selective Licensing is a long-term strategy, so no 'quick fixes' are available to address issues of low demand, such as the adjacent empty property causing you concern. You do not say whether this property is owned for letting out or by a private</p>

			<p>individual, so we are unable to offer more specific advice, but more generally, the Empty Homes team who work alongside the Selective Licensing team may be able to help in several ways, e.g. they can offer interest rest free loans of up to £20,000 to landlords of longer term vacant properties, subject to set criteria. They are also able to purchase a number of houses per year for renovation and resale. If the Landlord of this property is known to us, then we will contact them about bringing the property back in to use, and they may be able to access these schemes to assist them. Please contact the Selective Licensing and Empty Homes teams if you'd like further advice.</p> <p>In addition, the new 'Housing in Multiple Occupation' standards, (HMOs), will help us ensure that multiple tenants are not housed in properties unfit for this purpose, thereby providing landlords a pool of potential tenants and increasing demand within the area.</p>
14/11/2018	Landlord	Some landlords in the area don't seem to be abiding by the rules to keep their properties in good repair and are allowing their tenants to fly tip goods	<p>Selective Licensing helps ensure that landlords maintain their properties to the required standards and have the management in place to deal with breaches of tenancy such as the examples of environmental crime you mention. Regular back yard and back street checks are made by our area officers, who work closely with Streetscene to resolve these issues, e.g. by contacting the landlord to ensure the correct waste disposal facilities are in place or serving notice on the tenants. This would then be reported back to the landlords to ensure that they monitor any issues. We work with landlords to ensure clean back yards are maintained. If these issues continue, they</p>

			are in breach of their licence which can then be revoked due to poor management, and they would then be unable to manage this property.
14/11/2018	Homeowner	Not beneficial for new landlord who owns only 1 property in Burnley also it's unfair to charge whole 5 years selective licensing fee for the only few remaining licence expiry months.	<p>Selective Licensing's main objective is to ensure that landlords maintain their properties to the required standards and have the management in place to deal with breaches of tenancy such as causing anti-social behaviour and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and provided with the right level of advice, support and training to assist them. Those without the correct procedures in place will be encouraged to improve, or ultimately face being unable to operate in the area.</p> <p>The application fee is required to process, implement and monitor the scheme. The Licence is valid for the full 5-year designation period and expires when the designation ends. As the fee is an application fee which is non-transferable, the full price is payable regardless of when the property was purchased, or licence applied for. The programme is self-financing, so all monies received are ring fenced to implement its delivery. The application fee is also subject to a number of discounts that can bring the total cost to as low as £369 once a designation is in place. This equates to £74 a year over the 5 years. It may also be made more manageable through the option of paying by Direct Debit.</p>
14/11/2018	Homeowner	Cannot see any improvement in this area. This scheme is money making for council ONLY.	Any public licensing scheme will have a fee attached; the programme is self-financing, so the budget is used to implement and monitor the scheme and

			<p>make improvements in the areas. The selective licensing legislation allows local authorities to fix their own charging structure, and we endeavour to keep the fee as low as possible. We also offer additional discounts to landlords accredited under our Good Landlord and Agent Scheme (GLAS) as well as a discount for applications returned early. We also allow landlords to pay over a 24-month maximum period to spread the cost. The Council are not permitted to make a profit from the cost of licensing, and the money cannot be used for other projects.</p> <p>Queensgate's Selective Licensing area has seen a number of improvements in its first designation. The number of anti-social behaviour complaints made to the police has decreased by 43% and environmental crime incidences have decreased by approximately 29%. House prices have increased by over £5000 and the number of empty properties has reduced by 12%. These are all examples of improvements that have been made within Queensgate's first designation. We need to build on this, and are concerned that without a further designation, these improvements may not be sustained.</p>
14/11/2018	Landlord	About what?	No comment required.
14/11/2018	Landlord	We disagree that this borough is in a low housing demand area when compared to the wider borough. Selective licensing has already been in place in this borough and is due to end in 2019. It is not fair and reasonable to expect private landlords to continue paying selective licensing fees in order rent properties within the borough especially seeing as though fees have already been paid for at	The evidence shows that the Queensgate selective licensing area still suffers with a number of characteristics of low demand. For example, the average house price in 2013/14 was £37,498 for this area and under selective licensing this had increased to £42,743 by 2016/17. Compared to the whole of the ward, in 2017 house prices averaged £58,306. The Borough average at this time was £88,187. The

		<p>least the past 5 years and to renew for another five years is just another money making exercise for the local authority. Powers are already in place to deal with privately rented properties within the borough. We cannot see how selective licensing has helped the community; it has merely increased costs for landlords who subsequently have to increase rents which tenants cannot afford to pay!</p>	<p>area of Queensgate that has been chosen to undergo selective licensing's house prices are approximately half that of Burnley's average. Alongside this, in 2017 there were still 204 empty properties in the designated area, despite an improvement of 12%. The area still struggles with aspects of low demand, and without selective licensing these issues would be exacerbated.</p> <p>The council are not permitted to make a profit from selective licensing; application fees contribute to the implementation and monitoring of the scheme. There are a number of discounts available to make the application fee as affordable as possible, including an early application discount, a reduction in price for those previously licenced and a 30% discount for those accredited under the Good Landlord and Agent Scheme. This can lower the fee to £369 which is comparatively low when considering other Councils operating the scheme nationwide. Burnley Council has also introduced an option to make this payable by direct debit so that payments can be managed. We trust that with this additional payment support, the application fee will not be transferred to tenants in the form of increased rents; indeed, in previously designated areas, there is no evidence to suggest this has happened.</p> <p>Without selective licensing, the Council's power to intervene is limited in terms of enforcement. Inspections could be only reactive, so would depend on people making complaints to the council. We have found that tenants are very wary about doing this; e.g. some fear retaliatory action from their landlord. The Council undertake proactive inspections in the</p>
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			selective licensing areas. Through these proactive inspections more properties are improved by ensuring the conditions meet minimum standards.
14/11/2018	Landlord	No benefit to the area at all, licensing has been here for the last 5 years; same type of tenants in property, same condition of houses, just a money making scheme from the council. These costs will then have to be passed on to tenants in the form of a rental increase; does this mean that you will then increase DSS for the tenant? No benefit for anyone and just wasting man power and council funds which could be better spent elsewhere.	<p>Queensgate has experienced a number of improvements since the beginning of its first designation of Selective Licensing. For example, the number of anti-social behaviour complaints made to the police has decreased by 43% and environmental crime incidences have decreased by approximately 29%. House prices have increased by over £5000 and the number of empty properties has reduced by 12%. An example regarding property condition is the Energy Performance Certificates which are required as part of the Selective Licensing application process and illustrate issues with fuel poverty and poor condition. 67 of the EPCs received for Queensgate had a lower rating than an E, indicating poor performance. Further intervention from Selective Licensing has seen improvements in 55 of these properties to increase their standards of energy performance. The remaining 12 properties have been inspected under the Council's housing disrepair functions to ensure any hazards of excess cold were addressed. The improvements that have been made in the initial 5 years of Selective Licensing can be maintained and developed upon with a further designation.</p> <p>With any public licensing scheme there will be a fee attached. The fee for selective licensing is an administrative charge used to implement and monitor the scheme. All money raised from licensing fees is ring-fenced back into the scheme and making</p>

			<p>improvements in your area. The Council are not permitted to make a profit from the cost of licensing and the money cannot be used for other projects.</p> <p>Landlords are entitled to put their rents up as they see fit, providing this is done legally within the terms and conditions of their tenancy agreements. These must be considered reasonable (i.e. in line with local rent levels). The Council's fee structure has aimed to make the application fee as affordable, and there is no evidence to suggest that the fees have been passed on to tenants in the form of rent increases. There are discounts available for those who apply within 3 months of the introduction of each designation, a 30% reduction for those accredited under the Good Landlord and Agent Scheme and a further discount for those who have previously been licenced. There is also an option for payment to be made by Direct Debit to ensure that the application fee is affordable and manageable.</p> <p>The cost of not intervening in a failing housing market may ultimately prove much greater for landlords, as demand for housing continues to drop and the area declines further.</p>
26/10/2018	Homeowner	Do not wish for it to be continued. Good landlords are being put off by the financial implications	Evidence shows that the private rented sector in Queensgate has not shrunk since the designation was made in July 2014, indicating that landlords continue to invest in the area. The proportion of private rented properties in the Queensgate designation area remains high at 43%. Areas with over 19% of private rented properties are considered to have a high proportion of this type of accommodation.

			<p>Selective Licensing's main objective is to raise management standards in the private rented sector, by ensuring that landlords have the necessary management in place to deal with breaches of tenancy such as causing anti-social behaviour and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area.</p> <p>The application fee can be subjected to discounts which are targeted at good landlords, such as those who submit early applications within 3 months, those accredited under the Good Landlord and Agent Scheme and those previously licenced. The application fee can also be made payable by Direct Debit to make it as affordable as possible.</p>
19/10/2018	Homeowner Landlord	The licence is a waste of time and money. There is no benefit for the licence. You give the rent to the tenant so sometimes they don't give full rent so if the Council gives £75 they will only give £50 also they can just take the rent lock the door and run away. This just makes life harder for the landlord.	<p>Selective Licensing is designed to raise management standards for privately rented properties, rather than working purely for the benefit of private landlords. However, we believe that having a Licence benefits landlord as well as the tenants. Advice and support from area officers is on offer, as is free Landlord Development training to provide updated knowledge and skills for dealing with problem tenants. Tenant referencing is essential under Selective Licensing. The Council offer a service to help with this; however, it also requires that landlords perform their own checks. This could include speaking to previous landlords about the tenant's history with rent payment and arrears.</p>

			If tenants are in rent arrears the Landlord may be able to apply for their tenant's Housing Benefit to be paid direct to them.
3/10/2018	Landlord	Licensing hasn't worked in this area contrary to what the council may have us believe. Crime figures haven't changed much over these last few years and neither have house prices. The council would have us believe that it has been a success but I would call it a failure. House prices, council say, have risen but prices have risen all over the country have, so this in a way is pulling cotton wool over our eyes. Prices have risen in line with inflation over the last few years.	<p>Thank you for your comments, but evidence shows to that within the Queensgate designated area, house prices have increased significantly since the start of the designation. Between 2013/14 house prices averaged £37,498 and by 2016/17 £42,743. One of the aims of the programme is to bring house prices closer to that of the Borough average; even if nationally house prices have fallen, an increase in this area shows success. The number of reports to the Police for the area has also fallen dramatically during this time, from 474 at the beginning of the designation to 269 at the end.</p> <p>Selective Licensing's principal aim is to raise standards in the management of privately rented properties by ensuring landlords have management in place to deal with any breaches of tenancy, including criminal activity and anti-social behaviour. As Selective Licensing is a long-term strategy, we appreciate that there are still improvements to be made and are hopeful that with a further 5-year designation that this will be sustained.</p>
2/10/2018	Landlord	Just payed 750 for my license within the last 1 year. I should have been told it would only last 1 year, rather than 5 years.	The designation periods for all areas that have been subjected to Selective Licensing have all been for 5 years. The application fee that is associated with a Licence is used to process applications, issue licences and monitor the scheme, i.e. it is essentially an application fee and not a Selective Licensing fee. Each designation once made lasts 5 years, and all Licences issued are only valid until this period

			expires. As explained in the application guidance and on the Council's website, the 5-year period always begins when the designation starts, not from when your individual licence was granted.
20/9/2018	Landlord	Disappointed that not all properties are managed correctly and the area has not improved due to selective licensing.	There have been a number of improvements seen within the Queensgate designation area. This includes an average house price increase of over £5000, a 43% decrease of anti-social behaviour reports to the police and a 12% decrease in empty homes since the start of the designation. Selective Licensing is a long-term strategy, and we are hopeful that with a further 5-year designation that this will be sustained. By monitoring management standards for an additional 5 years any recurring issues can be addressed.
18/9/2018	Landlord	Against Selective Licensing	Thank you for your comment. Your opposition to the scheme has been noted and all comments will inform our report to the Executive in February 2019, which will be publicly available to view.
14/9/2018	Landlord	I really cannot see what I gain out of having my landlords licence. I maintain my properties to a very high standard and have had problems with the vacant property next door. It's in a very poor state, the owner agreed (DETAILS REDACTED) if I paid for repairs to his property he would reimburse me... his former letting agent dealt with it. I paid out for the repairs but the owner relented on the agreement and refused to pay me. I reported the poor condition of the property to the council who said they would take enforcement action against the owner if necessary. 1 year later and you have done nothing. The property has no downpipe on the rear and my property is suffering from penetrating	Selective Licensing's main objective is to raise standards in the management of privately rented properties. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. The legislation does not offer the facility to distinguish between 'good' and 'bad' landlords; all privately let properties within the designation must have a licence in order to raise collective management standards. We are aware of the property you have mentioned and are currently working with both the managing

		<p>damp. Yet you still do nothing. Why should I maintain the vacant property as well? He already owes me £250.</p> <p>I have offered to buy the property, refurbish it and bring it back into use. The owner wants £50,000 for it but in its current vandalised condition it's not worth any more than £15,000 - £20,000.</p> <p>You really need to deal with this property very quickly. As it now has a yard full of smelly rubbish, a water leak and window smashed at the rear. The address isand his former letting agentknows all about my problems with the owner (DETAILS REDACTED).</p>	<p>agent and the Empty Homes team to address the issue. External inspections have been carried out and internal ones will be undertaken as soon as access is gained. I understand that the Empty Homes Team have already contacted you and will continue to keep you informed of progress.</p> <p>If an empty homes loan is granted, the process is that an interest free loan of up to £20,000 will be issued, to be repaid over 10 years. One of our technical officers will draw up a schedule of works required for the owner, who must then submit estimates for the work. Regular inspections ensure the work is done to the required standard. Ultimately, we do have the power to enforce a Compulsory purchase order on the property but are hopeful that this approach will resolve the issue and bring the property back into occupation soon.</p>
10/9/2018	Homeowner	<p>This scheme should be made unlawful – because of a few properties why should everyone be penalised – and what protection do landlords have against tenants who damage houses and leave houses in poor conditions – double standards all a money making scheme</p>	<p>Queensgate is experiencing significant issues of low demand; it also has a very high proportion of private rented properties at 43%. The standard of management in these properties needs to be improved to overturn the characteristics of low demand.</p> <p>Selective Licensing does not aim to penalise good landlords but rather to raise management standards collectively, in order to address issues of low demand within areas that have a high proportion of private-rented properties. To do so, we have to target areas instead of individuals. We offer a number of discounts for the application fee which support landlords with good management practices, including an early application discount, a 30% discount for those accredited under the Council's own Good</p>

			<p>Landlord and Agent Scheme and an additional discount for those that have been previously licenced in Burnley. The legislation does not give us the ability to distinguish between types of landlords but is an area-based scheme requiring all landlords operating within a designated area to be licensed.</p> <p>It is the landlord's responsibility to ensure that these standards are met. We recommend performing a thorough inspection of the property before the tenant moves in, and that an accurate inventory is produced detailing the condition and contents of the property. Tenants should be asked to sign all pages of the inventory if they agree with what is listed or make amendments if they do not agree. This way, any essential items i.e. smoke alarms that have been removed by tenants, will be documented and the landlord would not be liable. Landlords must carry out regular property inspections. Under Selective Licensing it is required that inspections are conducted quarterly to ensure that they remain up to an appropriate standard under a tenancy.</p> <p>The Selective Licensing team provide development days and advice and support and also help with tenant reference checks. This helps to limit the incidences under a tenancy agreement and provides the knowledge of how to deal with problematic tenants.</p> <p>The Council are not permitted to make a profit from Selective Licensing; all funds that are raised through the application fee are utilised for the implementation and monitoring of the scheme.</p>
9/9/2018	Landlord	From the start of this process it's been a total waste of resources put into it; current figures are worse	Selective Licensing aims to raise standards in the management of privately rented properties. The

		regardless of how council have tried to gloss over them.	landlord and manager are both required to meet the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. There has been some improvement for the Queensgate designation area, including an average house price increase of over £5000, a 43% decrease of anti-social behaviour reports to the police and a 12% decrease in empty homes since the start of the designation.
9/9/2018	Landlord	I do not think the selective licensing should be on this area. You state that that the licensing has improved the house prices and reduced empty properties. I don't think this is true; this is only because of Boohoo factory workers and without them the house would be empty. The property renting business has just started boosting in the last two / three years; again this all due to the employment of foreign workers within Boohoo. If all the houses on rent have had selective licensing they would have all been checked and will all be in good condition. The extra license would discourage investment in the area as it's an extra cost to the investor which would leave the property empty and increase anti- social behaviour.	<p>Selective Licensing, in its initial 5 years, has resulted in improvements within Queensgate. For example, the average house price in 2013/14 was £37,498 and under selective licensing this has increased to £42,743 by 2016/17. Alongside this, the number of empty properties in the area has decreased by 12%. We appreciate that there are still additional improvements to be made. Selective Licensing is a long-term scheme and with a further 5 years, these improvements would be built on and sustained.</p> <p>We do recognise the impact that large employers are having on the area. Neither the housing market nor numbers of tenants needing accommodation are static. The scheme funds area officers to continue their work in monitoring the area, undertaking regular back yard and street checks and ensuring gas certificates are provided annually, etc. Property conditions can quickly deteriorate without adequate management. The Council commit their own resources to conduct proactive inspections to ensure standards are maintained and disrepair is dealt with.</p>

			In all Selective Licensing areas within Burnley we continue to see landlords investing in property. The cost of the licence is reduced through discounts and made more manageable through the option of direct debit payments. All areas have seen increases in house prices, with reductions both in numbers of empty properties and anti-social behaviour incidents. These issues are seeing improvements and with a continuation of the area work, we aim to overturn the characteristics of low demand.
8/9/2018	Landlord	No need	There is a need for Selective Licensing in the Queensgate area as it has been identified as having key characteristics of low demand. This includes low house prices, high numbers of empty properties, environmental crime and anti-social behaviour. These issues may be challenged and overcome by improving management standards in the private rented sector.
8/9/2018	Landlord Homeowner	Not happy about this - tenants leave your house in a very bad state so will the council pay me for that - all a money making scheme and unfair	The Council do not make a profit from Selective Licensing. All monies received are used for the implementation and monitoring of the scheme. Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management procedures and skills in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area.

			Assistance and guidance are provided for landlords who may encounter problematic tenants. This includes the support from area officers, information that is provided on the Landlord Development day and tenant reference checks that are to be done before accepting a tenant. Tenant referencing is a mandatory condition of the licence, so landlords must ensure they are performing these checks. We advise also contacting previous landlords, to see how potential tenants acted under their previous tenancies. Failure to reference tenants and to provide evidence of such will result in action being taken for a breach of licensing conditions.
8/9/2018	Landlord	<p>I own 2 properties on this street this is day light robbery. Nothing has improved. House prices have dropped fly tipping has gone up and the streets are full of rubbish and needles and glass?</p> <p>Please refund our fees which we have paid and stop this at once</p>	Under Selective Licensing, several improvements have been made in the Queensgate area. House prices have increased from £37,498 since the start of the designation in 2013/14, to £42,743 in 2016/17. Alongside this, environmental crime has reduced by almost 29%. Area officers carry out regular street and back yard checks, and work closely with both Streetscene and landlords to ensure that these are resolved. The Queensgate area officer holds weekly surgeries open to all, where any concerns can be raised and addressed.
8/9/2018	Landlord	I think this selective licensing is a joke and day light robbery. I have 2 properties on (DETAILS REDACTED). I have had a licence since they first came in; can you please tell me what it has improved in this area? The council is taking £750 for the licence per property. What has this given me in return? The houses prices have dropped in the last few years. I will tell you what we have got in return. The council has not been able to control fly	<p>Selective Licensing's main objective is to raise standards in the management of privately rented properties.</p> <p>Selective Licensing has resulted in a number of improvements within the Queensgate area. This includes an average house price increase of over £5000, a 43% decrease of anti-social behaviour reports to the police and a 12% reduction in the</p>

		<p>tipping; it's getting worse day by day. The council cannot control rodents / rats; every second week my tenants are complaining about them. I am struggling to keep any tenants in long term because of the rats in the back streets and yards; they even enter the property. The council cannot keep the back streets clean there is broken glass needles and all sorts of rubbish in the back street. I would urge the council to refund me my 2 licence fees and stop this at once. I hope my concerns have been noted!!!</p>	<p>number of empty homes since the start of the designation. Environmental crime has also decreased by nearly 29%.</p> <p>In addition, Selective Licensing allows us to focus on particular streets suffering from poor environmental conditions. For example, we work in partnership with other departments and agencies to combat issues such as those you are concerned about. For example, in August 2018 we delivered a joint working project with Streetscene where we ran a 'deep cleanse' operation across Rylands, Ford and Heap streets in Queensgate to tackle dirty back yards and streets. As a result: 9 Community Protection Warning Notices (CPWN) were issued; 3 s29 for Open to Access properties, 33 properties (28%) were personally spoken to by Council Officers, 26 took calendars/blue boxes/white sacks/issued with 2nd hand bin, 5 took litter pickers and will be contacted as part of the Ford Street Area litter-picking group, and 60+ properties had numbers put on back gate to aid future waste collection. This aimed to improve the area for tenants and residents alike and represents many other such initiatives that Selective licensing helps deliver.</p> <p>The application fee is used for the implementation and monitoring of the scheme, and to deliver specific actions such as this to benefit the area. Landlords also benefit through the advice and support provided by area officers, the Landlord Development day that provides attendees with the information and skillset to deal with any problems that may arise and the</p>
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			<p>tenant reference checking service.</p> <p>We appreciate that there are still improvements to be made, and that a multi-agency approach is needed to tackle the multitude of problems areas experience. Selective Licensing is a long-term initiative which has already contributed to the development of the Queensgate area; however, an additional 5 years of the scheme would continue these improvements and help sustain them.</p>
4/9/2018	Landlord	<p>I have found the selective licensing only threatening the landlords and not giving any protection from the nightmare tenants and the tenants who don't pay rents properly.</p>	<p>Selective Licensing does not intend to threaten landlords; rather it aims to raise standards in the management of privately rented properties across the board, avoiding landlords undercutting each other by poorer management. It ensures that landlords and agents meet the required Fit and Proper assessment criteria, and those without the correct procedures in place will be encouraged to improve, or ultimately face being unable to operate in the area. As such, areas with high proportions of private rented properties are improving. Selective licensing favours neither landlord nor tenant but provides a framework within which all landlords must operate.</p> <p>In return Landlords benefit from free training, a tenant referencing service and support and advice from area officers who have a thorough knowledge of their own areas, in addition to free accreditation through the Council's own Good Landlord and Agents' Scheme (GLAS) and discounted fees. It is a condition of all licences that tenants are thoroughly referenced before obtaining a tenancy to limit any such incidences of poor tenant behaviour. We also</p>

			support landlords to judge whether the prospective tenant is suitable for their property and management style.
4/9/2018	Landlord Managing Agent Homeowner	More could be done to improve street cleaning and dumping rubbish. I don't agree that the local area is clean as I have complained so many times to Streetscene.	Selective Licensing has contributed to a reduction in environmental crime within Queensgate. There has been a decrease of nearly 29% of these incidents reported between 2014/15 and 2016/17. Selective Licensing only deals with private-rented properties.
3/9/2018	Landlord Homeowner	There is no benefit for the licence; it's a waste of time and money. Housing benefit is also for the tenant, who can just lock the house door and run away with the rent so what benefit for the landlord? You also take council tax for empty properties and have just made life harder for the landlord.	<p>Selective Licensing is designed to deliver the primary aim of raising standards in the management of privately rented properties. It does so by ensuring that landlords have efficient management procedures in place to deal with breaches of tenancy, e.g. ASB and environmental crime. It favours neither landlord nor tenant but allows us to ensure that standards are equal across the private rented sector, and that proactive property inspections are carried out where required.</p> <p>There have been a number of improvements seen within the Queensgate designation area. This includes an average house price increase of over £5000, a 43% decrease of anti-social behaviour reports to the police and a 12% decrease in empty homes since the start of the designation. Landlords also benefit from the scheme through a variety of initiatives, including advice from area officers, Landlord training days, a free accreditation scheme offering discounted fees, a tenant referencing service and access to Empty homes loans. If tenants are in rent arrears Landlords may also apply for their tenant's Universal Credit/ Housing</p>

			<p>Benefit to be directed to them in order to ensure rental receipt. Through the Landlord Development days, and the advice and support we offer to landlords, updated information on how to deal with the situation that you have mentioned in a lawful manner is provided.</p> <p>The increased Council tax for long-term empty properties is used as a deterrent for these types of properties. They are associated with a number of issues such as anti-social behaviour and a relatively high incidence of environmental crime, and generally make the area appear run down.</p>
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Agree with Council's proposals to introduce Selective Licensing in Queensgate

Date	Tenant/Landlord/Homeowner/Local Business	Query/Comment	Burnley Borough Council Response
26/11/2018	Homeowner	I think that landlords renting out property should carry out regular checks on their tenants even when property lease is expired. Leaking gutters, dirty back yards and anti-social behaviour should be checked more often.	Under Selective Licensing it is a requirement that all tenants are reference checked; Selective licensing offers a service to help with this. Officers are also able to advise when issues such as environmental crime and anti-social behaviour occur.
22/11/2018	Landlord	The selective licensing is good but it should be a rolling 5 years not fixed I joined this year and was then told I would have to apply again next year despite it being a 5 year plan.	The fee associated with Selective Licensing is an application fee. This is used for the implementation and monitoring of the scheme. It is valid for the entire period of the designation, which has been 5

			years and expires when the designation ends. Queensgate's designation is due to end in July 2019.
16/11/2018	Landlord	People are looking after their property a lot more. This scheme is good although having a license is quite expensive.	We are glad that you have experienced an improvement in property conditions through Selective Licensing. The application fee can be subjected to a number of discounts to help make it as affordable as possible. There is also the option to pay by direct debit to make payment more manageable. The Council aims to make the fees as affordable and manageable as possible.
16/11/2018	Landlord	We are fully supportive of licencing. We are responsible landlords who look after our tenants but I appreciate others aren't. I'd like the area to continue to improve and to be a better place for our tenants to live. Happy tenants equal happy landlords!	We are glad that you have experienced a positive change within the Queensgate area and understand the importance of good property management.
15/11/2018	Homeowner	It is a good idea but does not seem to work. There is a house on Pheasantford Street that has a broken front window for at least a month with nothing done. The dirt and rubbish that collects on this street is disgusting, and traffic and parking is awful.	Selective licensing is designed to raise the bar on management standards in private rented properties, and it's unclear from your comments whether the property with broken windows is let or owner occupied. If it's rented, please contact us with details and we will contact the landlord on your behalf. We also work closely with Streetscene re: dirty streets and back yards, and area officers carry out regular area inspections and report such issues. Traffic and parking issues are the responsibility of Highways at Lancashire County Council, so we advise that you contact them direct; this can be reported at https://www.lancashire.gov.uk/roads-parking-and-travel/fault-search/
15/11/2018	Tenant	I was involved in the scheme just over 2 years ago. It was in the Duke Bar area. The one thing it did for me was to highlight what a poor landlord I had.	Thank you for your comments; we are happy to hear that selective licensing has been of use to you as a tenant. Your support for the scheme has been noted

		Given good advice & information to act on, I am now in a property which is maintained to a good standard. My landlord and her letting agent are excellent which makes me feel at ease. Poor landlords should have to bring their properties to required standard.	and all comments will inform our report to the Executive in February 2019, which will be publicly available to view.
14/11/2018	Managing Agent	Improvements need to be continued.	Thank you for your comment. Your support for the scheme has been noted and all comments will inform our report to the Executive in February 2019, which will be publicly available to view.
14/11/2018	Landlord	What I have read from the council point a view I will take their word and views for it.	Thank you for your comments regarding Selective Licensing.
18/10/2018	Homeowner	Selective licensing prevents unscrupulous landlords owning properties and hopefully bad tenants.	Thank you for your comments in relation to Selective Licensing.
17/10/2018	Homeowner	I have lived next door to a boarded up house for over 3 years, which I am not happy about. The landlady lives somewhere down south, so how her property looks doesn't affect her. However an issue has to be raised about bad tenants, who abuse properties and withhold rent.	The Empty Homes team work alongside Selective licensing and monitor long term vacant properties; they are able to offer landlords incentives, such as the opportunity to apply for empty home loans. We are aware of the issues that arise through empty properties and aim to tackle this through advice, proactive inspections and contacting landlords and managing agents to help get the property back into use. Regarding poor tenants, landlords must ensure that their tenants are reference checked and that they are a suitable candidate for the property. In addition, to help prevent difficulties with absentee landlords where the proposed licence holder lives more than a 40-minute drive away, they are required to appoint a managing agent to act on their behalf. Please contact us with details of the property so we can investigate further.

16/10/2018	Homeowner	I am the owner of my own property and I completely agree with selective licensing in my area. I have seen properties in my area that have been left to fall into disrepair because landlords do not want to spend money on the upkeep, although they want rent either from tax payers through the benefits system, or working tenants. They should be made to keep their properties in a reasonable condition. My property price should not fall.	Selective Licensing aims to deal with Landlords who do not maintain or manage their properties to an appropriate standard. Those without the correct procedures in place will be encouraged to improve but failing that may ultimately face enforcement action or prosecution and be unable to operate in the area.
10/10/2018	Homeowner	There is too much anti-social behaviour because it is not their own house; it is as if they do not care.	Selective Licensing aims to help to tackle anti-social behaviour; in Queensgate reports to the Police have decreased by 43%. With an additional 5 years of Selective Licensing we are hopeful that this will be developed upon.
9/10/2018	Managing Agent	I believe it would be advantageous to continue with selective licencing. I think it helps with anti-social behaviour, problem landlords & tenants. However, I am not convinced it has had any impact on house prices.	We are glad you have had a positive experience under Selective Licensing. House prices in the Queensgate designation area have increased by over £5000 since 2013/14 to £42,743. This is still below the Borough and ward average, but we are hopeful that with an additional 5-year designation, house prices can continue to rise, and those undesirable features of a low demand area will reduce.
5/10/2018	Landlord	Licencing has improved the area specifically around Brennand Street.	We are glad you have experienced an improvement under Selective Licensing; thank you for your comments.
1/10/2018	Landlord Local Business Homeowner	The concept is good however, there are unapproved agents operating in the area which undoes and devalues what people doing the right thing are doing trying to improve the area.	Selective Licensing asks that all landlords or managing agents are accredited. The preferred accreditation is under the Council's Good Landlord and Agent Scheme to ensure the minimum standards in place also meet Selective Licensing requirements.
27/9/2018	Homeowner	Selective Licensing has improved Queensgate a great deal. People are starting to take a pride in the area they live in. There is still a lot to do but with	Thank you for your comments; we are glad that you have experienced a positive change within Queensgate as a result of Selective Licensing. The

		selective licensing it will get better.	scheme is a long-term strategy and with a further 5-year designation, we hope to build on the improvements already made.
26/9/2018	Homeowner	Great idea.	Thank you for your comments regarding Selective Licensing.
26/9/2018	Tenant	We rent from our Sister.	Thank you for your comments; an application for exemption from Selective Licensing legislation may be made for those renting from immediate family members.
24/9/2018	Tenant	I think it's a really good idea. My landlord is in the scheme and I'm happy with that.	Thank you for your comments regarding Selective Licensing in Queensgate; we are glad that this appears to be working for you so far.
21/9/2018	Landlord	I don't have any	No response required.
20/9/2018	Homeowner	My wife and I have lived here for 44 years this year and I must say we've seen the area go downhill - partly because most of the houses are rented out and the people don't give a toss about the house or the surrounding houses. People don't think about fellow residents, i.e.: someone about six houses away was playing music and we could hear it with double glazing and doors, it's thump thump bang music; well, call it music but it's just noise ,and you daren't say anything because all you get is a mouthful of abuse. You can see people sat on the wall outside their homes smoking weed; it's that strong it's awful and the police do nothing, so what chance do we have. One house is owned and rented out... (DETAILS REDACTED) but tenants only stay maybe a month to six weeks or so, then they're gone and someone else is living there and the same story goes on. The people who collect the recycling won't even pick up something they've dropped; it's	<p>Selective Licensing offers landlords support, advice and training in handling anti-social behaviour. It ensures the tenancy agreements in place are able to facilitate landlords managing any problems effectively. Landlords are also required to carry out thorough reference checks with us, prior to letting a property. Landlords who choose to have tenants with known issues of anti-social behaviour must have strict management in place to deal with any issues that may arise.</p> <p>The Selective Licensing team adopts a multi-agency approach to deal with these issues, including working alongside community policing and the Council's own Anti-Social Behaviour team. The landlord is also made aware and is responsible for ensuring that such problems are dealt with appropriately.</p> <p>Area officers patrol their areas to monitor and</p>

		ridiculous and we're paying for this sort of service - it's a joke. You can't say anything. (DETAILS REDACTED). Sorry if it seems like I've had a rant, but you wanted to know just how things were.	resolve environmental crime such as dirty back yards and fly tipping on a regular basis, and also hold regular drop-in sessions open to all where any concerns may be reported and resolved. They work closely with Streetscene and landlords to do this, so you are advised to contact the team with your concerns.
18/9/2018	Homeowner	It is not before time that selective licensing is being done. You work all your life to have a lovely home, and then poor standards of rentals bring the area down which affects house prices. This needs doing with follow ups, to keep them on their toes. You feel ashamed when you have visitors. Furniture from them is being dumped on streets for council to remove.	Thank you for your comments regarding Selective Licensing in Queensgate. We are hopeful that with a further 5-year designation, outstanding issues are resolved. This includes environmental crime, which has decreased since the beginning of the first designation.
14/9/2018	Landlord	I would prefer the selective licensing to continue as the area has improved; to end it would take it back to how it was.	Thank you for your comment. Your support for the scheme has been noted and all comments will inform our report to the Executive in February 2019, which will be publicly available to view.
14/9/2018	Homeowner	There are too many run-down houses in the area and landlords are just taking Housing Benefit money, as most properties are for people who claim HB. But for people who own the house they live in, we just have to bear it. It's TIME Something is DONE.	Thank you for your response to the Queensgate consultation; please contact Selective licensing for advice if you have issues with a privately rented property.
14/9/2018	Homeowner	I have lived in this house for 42 years and it was a lovely area to live in. Now this street is terrible, mostly because of the rental properties and those who live in them. When the area gets to this state, you know no one decent will want to move in. I used to like living in the Duke Bar area.	Selective Licensing is a long-term strategy that deals with characteristics of low demand, associated with poor management in the private-rented sector. The scheme tackles issues such as anti-social behaviour, empty properties and environmental crime in order to make improvements and raise the bar in these areas.

14/9/2018	Homeowner	I agree that landlords should be licensed and would add that should be the case even if renting to a family member. Just a pity that those renting don't have to have one! They often cause damage to property and are responsible for a lot of the litter lying around. Wheelie bins are left out all week with lots of plastic bags as well. People also still fly tip although this has improved slightly. As no street cleaning the rubbish is left lying around. (The paradise WM club also needs a covered container instead of just dumping their rubbish in a corner, which others add to and it blows around. Landlords should do monthly checks and/or council. Do keep it up.	<p>Selective licensing legislation specifically exempts properties let to immediate family members from the requirement to be licensed, but an actual application for exemption is still required to enable the relationship to be verified by the appropriate documents.</p> <p>Under Selective Licensing, landlords are required to conduct thorough reference checks and are required to check with selective licensing prior to letting a property. The scheme sets minimum standards that all landlords must adhere to, and Selective Licensing allows us to carry out proactive inspections to ensure these are achieved.</p> <p>We also work closely with the Streetscene team who will deal with the issues you raise regarding resident and trade waste disposal. Our area officers carry out regular street and back yard inspections to help prevent such issues.</p>
14/9/2018	Homeowner	I agree that this scheme will help lower ASB making the area nicer to live in and hopefully, in turn, increase house prices closer to the borough average.	Thank you for your comments. This is the trend that we have found for areas that have been subjected to Selective Licensing. With a further 5-year designation we are hopeful that these improvements will be sustained.
14/9/2018	Homeowner	The clientele which we usually get in the rented houses are usually are not too good and don't look after them. At the moment we have very noisy neighbours on the front street, who are up all hours at the weekend, with drinking and music on the front street. Also the lock-up which now sells second hand furniture has 3-4 vehicles parked on yellow lines.	<p>Thorough reference checks are a condition of all licences granted, and landlords are obliged to check with Selective Licensing prior to letting their properties, as well as carrying out their own tenant reference checks. The checks carried out on licensing applications ensure that correct procedures are in place to deal with tenants causing problems.</p> <p>We work closely with Streetscene's anti-social behaviour team; please contact them with further</p>

			<p>details if you haven't already done so. Persistent anti-social behaviour may result in us taking action against both tenant and landlord if not resolved, up to and including the revocation of licences so that poor managers cannot operate in the area.</p> <p>Lancashire County Council deal with Highways issues and will be able to advise you regarding the on-street parking issue. Please raise any issues with them at https://www.lancashire.gov.uk/roads-parking-and-travel/fault-search/</p>
14/9/2018	Homeowner	<p>I'm all in favour of any scheme that will improve the area and maintain - and possibly increase property values.</p> <p>However, according to the map, the upper end of Heath Street isn't included in the scheme, so I can't see that I'm going to benefit a great deal.</p>	<p>The chosen Selective Licensing area has been identified as having characteristics of low demand. The improvements made in this specific area will have an impact on the general wider area.</p>
14/9/2018	Homeowner	<p>Landlords are not maintaining their properties and letting them to unsuitable tenants. Properties would be better let to young families or single working people not drug takers.</p>	<p>Under Selective Licensing landlords are required to conduct thorough reference checks and use Selective licensing to assist with this. They must adhere to minimum standards through Selective Licensing, and the scheme allows proactive inspections to ensure these are achieved.</p>
14/9/2018	Homeowner	<p>Great idea as we have a lot of rented properties in my area, fed up of landlords putting people in these properties that don't care, throw rubbish out and generally make a nuisance of themselves. More awareness should be taken as to why these people left their last house (ASB or have wrecked the place) Some landlords just don't care who they out in their houses.</p>	<p>Reference checking is essential under Selective Licensing in order to limit the incidents of anti-social behaviour. We also ensure landlords and managers have the correct procedures in place to deal with these issues effectively.</p>
14/9/2018	Landlord	<p>None as yet</p>	<p>Thank you for your comments.</p>

10/9/2018	Landlord	Yes very good idea	Thank you for your comments; we are glad that you agree with the proposals for Queensgate Selective Licensing.
7/9/2018	Homeowner	I live on (STREET NAME REDACTED) probably one of the few owner occupiers left. Houses across from me have been empty for years. The area has gone down and down over the years, anything to improve the situation would be welcome.	Thank you for your comments. There has been a decrease in empty properties in the Queensgate area by 12%. However, we appreciate that there are still improvements to be made. With an additional 5 years of Selective Licensing we hope to see further improvements.
7/9/2018	Homeowner	I wish we would have moved house 18 years ago, this area has gone to the dogs – dirty streets, druggies and unsavoury people coming into rented properties. Yes I do agree with Selective Licensing but I think proposals don't go far enough. Too many properties empty in the area, going to rack and ruin.	Selective Licensing aims to improve management standards of privately rented properties. It ensures that landlords are able to deal with tenancy breaches, such as causing anti-social behaviour. We work alongside a number of agencies, such as the police, other departments and social housing officers to deal with issues that may arise. With an additional 5 years of Selective Licensing we hope to make continued improvements.
7/9/2018	Homeowner	Too many rented houses in really bad condition. Backyards full (allegedly) <i>of rubbish, cars</i> parked on pavements and corners on Holmby St & Disraeli St. Far too many fast food and take away food shops on Colne Road. Leaving their rubbish behind and leaving the district filthy (15 to date). Far too many. Bus drivers taking up home owners space to park their cars for hours on the street. Queensgate is becoming a SLUM.	The main objective of Selective Licensing is to raise management standards of privately rented properties. It ensures that landlords are able to deal with tenancy breaches and that they are categorised as 'fit and proper' persons. Those that do not operate the correct practices will be encouraged to improve or face being unable to operate in the area. As a result of this, the characteristics of low demand are tackled. We are hopeful that with an additional 5 years of Selective Licensing that further improvements can be made. Any issues can be reported to the Council.
7/9/2018	Local Business	I hope it would raise the standards for landlords. Some landlords don't act responsibly to renting out	Thank you for your comments; we aim to improve the standard of all management practices within the

		to their tenants. We see a lot of rubbish in backyards and on the streets.	private rented sector in the Queensgate Selective Licensing area. Issues of environmental crime have reduced by 29% in Queensgate. We appreciate that there are still improvements to be made but if you have any additional concerns please do not hesitate to contact us.
7/9/2018	Homeowner	The house next door to mine is a rented property which has been empty over 4 years, it is in a state of total disrepair which is causing damp problems in my house, have been in contact with the landlord and local council for 4 years and nothing has been done. No response from any one in authority very disappointed.	We are sorry to hear that you have not been responded to in relation to the empty property next door. We offer a number of initiatives to assist with empty properties; this includes interest free loans of up to £20,000. The Empty Homes team are also able to purchase a number of properties per year for renovation and resale. If you would like any further information on this do not hesitate to contact us.
7/9/2018	Homeowner	Something needs to be done the landlords are putting anybody in their properties not keeping up with maintenance and the tenants are ruining the area. It's disgusting my property's value has gone down because of this problem	Landlords are bound by their licensing conditions to reference all prospective tenants before placing them in a property. Failure to reference tenants and provide evidence of their methods will result in action being taken for breaches in licensing conditions. The selective licensing team also offers reference checks for landlords free of charge. These checks highlight any anti-social behaviour that may have occurred; the checks however do not highlight how the tenant has conducted their tenancy and any arrears. Landlords should always contact one another to establish how tenants acted in their previous tenancy to avoid issues of damage and arrears occurring.
7/9/2018	Tenant	Anti-social behaviour has definitely reduced since the introduction of selective licensing	We are glad that you have noticed an improvement under Selective Licensing. The Queensgate area has experienced a 43% decrease in anti-social behaviour

			incidences in its first designation.
5/9/2018	Local Business Homeowner	Selective Licensing seems to helping the area but we still have properties in poor condition. Dirty back yards are constant and usually same ones time after time. Some anti-social behaviour occurs but find it is easier to get resolved.	We are glad that you have experienced an improvement within the Queensgate area under Selective Licensing. Incidences of environmental crime have reduced by 29% and anti-social behaviour has decreased by 43%. We hope to achieve greater improvements with an additional 5-year designation.
5/9/2018	Tenant	Derelict and empty properties to be dealt with sooner and a higher fine and more prosecutions for fly-tipping. This general area is a disgrace, put to the people who live in it!!! Street cleaners fighting a losing battle!!!! !	There has been a decrease in empty properties in the Queensgate area by 12%. However, we appreciate that there are still improvements to be made. We offer a number of initiatives to assist with empty properties; this includes interest free loans of up to £20,000. The Empty Homes team are also able to purchase a number of properties per year for renovation and resale. If you would like any further information on this do not hesitate to contact us. Environmental crime has also reduced significantly in the area under Selective Licensing, by 29%. With an additional 5 years of Selective Licensing we hope to see further improvements. The fine for Civil Penalties and Prosecutions is looked at individually, case by case. Civil penalties can be up to £30,000 whereas prosecutions are unlimited.
5/9/2018	Homeowner	There are too many rented houses in this area the landlords don't seem to care what kind of people they rent to and obviously do not do any background checks on their tenants as long as they get the rent which probably comes from benefits. The street I refer to is...DETAILS REDACTED; have issues with fly tipping on the back street....for weeks on end and one of them has some kind of	43% of the houses within Queensgate's designation area are privately rented, which is a significant proportion of the area's housing. Under Selective Licensing thorough reference checks need to be conducted prior to securing a tenancy, including with the Selective licensing team. We work closely with Streetscene and our area

		<p>dog which they just sweep onto the street so you can imagine the smell and flies which goes with it. This is a health issue.</p>	<p>officers regularly inspect and monitor dirty back yards and fly tipping. We are aware of the specific issues you raise and are working with Streetscene and residents in the area to build evidence and identify the perpetrators. Our area officers carry out checks to ensure that bins are present; if not, then the onus is on the landlord to provide one, and on the tenants to present it on time, take it in afterwards and replace it if lost.</p>
4/9/2018	Homeowner	<p>We feel the selective housing scheme is an excellent idea. We have lived on Ford Street for nearly 18 years; when we moved on Ford Street 90% of the houses were homeowners. Now 18 years on and only 5% (approx.) of the houses are homeowners. The rest are rented out by landlords or derelict. We have had many issues with bad tenants; we had to endure over 2 years with bad neighbours in the house next door. Even though the landlord was on the licencing scheme, it took over 12 months to evict the tenants. We do feel it is a good idea, but the process to evict bad tenants is a long one and could be made easier and quicker. I watched the tenants move out of one house on Ford Street and more tenants move in the very next day; how has the landlord had time to vet these new tenants?</p> <p>Just a few issues with the selective licence scheme that we thought we would mention.</p> <ol style="list-style-type: none"> I. Landlords not vetting new tenants thoroughly. II. The procedure to evict bad tenants is too long, the pressure is on the homeowners/neighbours to gather 	<p>The proposed Selective Licensing area has a high proportion of private-rented houses. Under the scheme, all prospective tenants must be subjected to thorough reference checks, including with the Selective Licensing team, before offering a tenancy to new tenants, so this is done well before moving in. The landlord must also ensure that the tenancy agreement in place contain enforceable anti-social behaviour clauses, and we provide free training and advise to assist them in enforcing this where required. This helps ensure that landlords are aware of their rights and responsibilities in relation to their property management and tenants.</p> <p>Your comments regarding the timescales for the eviction of tenants are noted. We consider that the selective licensing process actually helps enable a speedier resolution through the courts, as it ensures that all the required documentation has been provided as part of the submission, e.g. gas safety certificates, tenancy deposit scheme membership etc. This makes the process of legal eviction quicker.</p>

		evidence with regards to bad tenants and pass this on to the council. But well done to Burnley Council for trying to improve our area.	
3/9/2018	Homeowner	I think this programme is a good idea. I have a terrible neighbour in a rented house and nothing is being done about his behaviour.	Thank you for your comments. Under Selective Licensing the landlord must ensure that their tenant acts appropriately and follows the clause within their Tenancy Agreement regarding Anti-Social Behaviour. Landlords must also complete tenant reference checks before allowing them to live in their property. If you have already reported the neighbour behaviour causing you problems to their landlord but no progress has been made, please contact the team for advice.
3/9/2018	Homeowner	Noise disturbance is a big issue on (REDACTED) Street, where people with mental issues are being put in rented property.	Thank you for your comments regarding Selective Licensing. All anti-social behaviour issues are taken seriously, regardless of whether mental health problems affect it. Selective licensing will contact the landlord and/or agent, to ensure the correct management procedures are in place to deal with problems effectively. Reference checking is essential under Selective Licensing in order to limit the incidence of anti-social behaviour. Please get in touch with us if you are having issues with this and we will investigate it.

Appendix 8

Daneshouse and Stoneyholme Transcript

Disagree with Council's proposals to introduce Selective Licensing in Daneshouse and Stoneyholme

Date	Tenant/Landlord/Homeowner/ Local Business	Query/Comment	Burnley Borough Council Response
14/11/2018	Landlord	<p>I am already a license holder in the Queensgate area, and this is absolutely no use to that area; no benefit for landlords or tenants. Instead it is just more work for the council and more cost for landlords who will then have to pass these onto tenants who are already struggling to pay the rents at the moment. I am completely opposed to selective licensing and this will result in more empty properties as people can't afford housing; more empty properties poses more of a negative impact on the area.</p>	<p>The main objective of Selective Licensing is to raise management standards of privately rented properties. It ensures that landlords are able to deal with tenancy breaches, such as causing ASB and environmental crime. Each landlord must meet the standards required by the fit and proper person criteria. Those that do not operate the correct practices will be encouraged to improve or face being unable to operate in the area.</p> <p>Queensgate has experienced several improvements since selective licensing was introduced there, e.g. house prices have increased from £37,498 in 2013 (the beginning of the first designation) to £42,743 in 2016/17.</p> <p>The number of empty properties has also decreased since the designation was introduced by 12%, and reports to the police regarding ASB have decreased by 205 accounts. Selective Licensing has contributed to the improved picture in Queensgate, and if introduced in Daneshouse and Stoneyholme, it would give us the means to ensure a positive impact there too.</p> <p>The application fee for Selective Licensing can be reduced under initiatives that include applying within the first 3 months of the designation, being</p>

			<p>accredited under the Good Landlord and Agent Scheme and being previously licenced. This brings the cost of the application fee down to as low as £369, which may also be paid by Direct Debit to make it as affordable as possible. We are hopeful that with these initiatives the costs will not be transferred to tenants. There is no evidence to suggest that rent has increased in other Selective Licensing areas.</p> <p>Landlords and tenants are both offered assistance with any problems that are encountered through private renting. This includes the help of area officers, tenant referencing checks and tailored landlord training and development days. This support helps ensure that landlords and managing agents have the knowledge and resources to deal with any issues.</p>
14/11/2018	Landlord	<p>We disagree that this area is in a low housing demand area when compared to the wider borough. It is not fair and reasonable to expect private landlords to pay selective licensing fees in order to rent THEIR properties within the borough, especially as fees have already been paid for at least the past 5 years (in other areas). To add another area seems to just be another money making exercise for the local authority. Powers are already in place to deal with privately rented properties within the borough. We do not believe introducing selective licensing within this area will improve anti-social behaviour. Introducing selective licensing would mean landlords will have to increase rent which many people cannot afford to pay, meaning more people relying on the council to</p>	<p>The main objective of Selective Licensing is to raise the management standards for privately rented properties. It ensures that landlords are equipped to deal with tenancy breaches effectively, and that they meet the minimum requirements as 'fit and proper' persons. Those that do not operate using the correct practices will be supported and encouraged to improve, or ultimately face being unable to operate in the area. As a result, many of the characteristics of low demand are resolved.</p> <p>The Daneshouse and Stoneyholme proposed selective licensing area is currently demonstrating a number of these characteristics of low demand. For example, house prices within the proposed designation area (£38,554) are half the price of the Borough average (£88,187). Alongside this, the</p>

		<p>house them; this could actually increase anti-social behaviour.</p>	<p>proportion of empty properties within the designation area is at 9%, which is 3% higher than the borough average.</p> <p>Selective licensing is similar to any other licensing regime being operated across the country, whether that is taxi licensing, waste disposal licensing or public entertainment licensing. The licensing regimes are there to protect communities and visitors, manage public health risks and respond to public concerns. There are public concerns over the condition, management and reputation of the private rented sector in Burnley. Selective Licensing compels all landlords to work towards the same standards so that management practices and conditions meet the required legal requirements.</p> <p>With any licensing regime there is a fee. The Council does not make a profit from the fees. The application fee that is associated with a licence is needed to process, implement and monitor the scheme. In addition to processing the application, selective licensing offers support and advice for landlords as well as development days, anti-social behaviour training and tenant reference checks.</p> <p>The application fee initially starts at £750; however a number of discounts can be applied that reduces this fee to as low as £369. This can also be paid through Direct Debit to help make it as affordable as possible. There is no evidence to suggest that the application fee has had an influence on rents in other areas.</p>
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13/11/2018	Landlord	<p>I do not think introducing selective licensing will have a significant impact on environmental crime and anti-social behaviour. Furthermore I believe that introducing selective licensing is likely to lead to private landlords no longer renting properties due to the extra time and cost associated with this process.</p>	<p>Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management procedures in place to deal with breaches of tenancy agreements such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve, or ultimately face being unable to operate in the area.</p> <p>There is support in place that helps to assist landlords to ensure that their practices and procedures are adequate. Landlord Development days are offered in the relevant skills for property management. Area officers are also available for support and advice regarding any queries or issues.</p> <p>There is both statistical and anecdotal evidence to suggest that the scheme has been effective elsewhere. For example, the number of anti-social behaviour incidences reported to the council in</p>

			<p>Trinity, Gannow and Burnley Wood have all decreased since the start of their designations. The proposed Daneshouse and Stoneyholme area on the other hand has seen an increase of reports by almost double. Environmental crime has also reduced significantly in the majority of the areas subject to Selective Licensing.</p> <p>In response to your query regarding landlords not wanting to rent properties in the area, this has not proved to be an issue in any of the previously designated areas. Trinity, which is coming to the end of its second designation, still demonstrates a high demand for private rented housing, as 46% of the designation area comprises of this tenure. In addition, empty properties have decreased within designation areas.</p> <p>By tackling poor management in the private rented sector, the characteristics of low demand are reduced.</p>
5/11/2018	Tenant	Our landlord always improved our home. I don't think selective licensing is a good option for this area.	We are glad that you have a good landlord however there are a significant number of landlords in the area that do not adhere to ideal standards. We aim to improve the management practices of all landlords to ensure that characteristics of low demand are overturned. This can include low house price, high levels of anti-social behaviour and environmental crime.
5/11/2018	Tenant	I live in this area and it's a really good area to live in. The landlord managed property really well in this area.	<p>We are glad that you have had a good experience whilst living in Daneshouse and Stoneyholme and that your landlord has managed your property well.</p> <p>The Daneshouse and Stoneyholme proposed</p>

			<p>selective licensing area is currently demonstrating a number of these characteristics of low demand. For example, house prices within the proposed designation area (£38,554) are half the price of the Borough average (£88,187). Alongside this, the proportion of empty properties within the designation area is at 9%, which is 3% higher than the borough average. The area also suffers the highest amount of fuel poverty when compared to the rest of Burnley.</p> <p>By ensuring that landlords improve their practices, educating them and providing support and advice we can ensure that these problems are overturned.</p>
5/11/2018	Tenant	I don't think we need selective licensing in this area. Living conditions for tenants are very good.	<p>The Daneshouse and Stoneyholme Selective Licensing area has specific concerns of low demand and poor property conditions. This can be improved by ensuring that landlords improve their management standards to those deemed acceptable by the Council.</p> <p>From a recent sample of pro-active inspections of 80 properties within the designation area (that are only possible under Selective Licensing), 38 did not have an Energy Performance Certificate. Of the 42 that did, 17 were rated below and E which indicates poor energy performance. The area also has the highest percentage of properties without central heating. Daneshouse and Stoneyholme has also had the second highest number of disrepair cases reported to the Council.</p> <p>By enforcing higher standards of property management and undertaking proactive inspections, Selective Licensing is able to tackle the issues associated with poor property conditions and low</p>

30/10/2018	Homeowner	<p>Although selective licensing seems like a good idea for the Stoneyholme and Daneshouse area I believe it will have no impact on the issues that the area faces.</p> <p>As the council is well aware, the area consists of pre-1900 houses, and the area was developed to house the booming workforce that worked predominately in the cotton industry. Now that this industry (along with others) has vanished completely, the area has suffered tremendously. Other causes have also contributed to the decline in standards e.g. the housing market failure, racial tensions of 2001, high criminal activities, lack of ethnic diversity, and the lack of local industry.</p> <p>For decades this neglected part of Burnley has been left to fend for itself; now as a result this area of Burnley is one of the most deprived areas in the country.</p> <p>By imposing a 'landlord tax' on the area the Council hopes to improve the conditions of the properties within the private rented sector, but what about those properties that are not privately rented? The issue of sub-standard living conditions is not unique to the rented sector; it is universal across the area.</p> <p>Having (good and bad) landlords (many of which live within the area) pay the selective license fee is just another tax upon them, and as a result it could force them to leave the area and relocate their business to other parts of the town vulnerable to</p>	<p>demand.</p> <p>The terraced houses that are associated with Burnley's industrial past are now often obtained by landlords in order to then let out to private tenants. 31% of houses within the proposed Daneshouse and Stoneyholme designation area are privately rented. Areas with over 19% of privately rented housing are deemed to have high proportions of this type of accommodation.</p> <p>The Elevate programme did fund the demolition of many terraced properties within the area. New houses were then built, varying in size with more parking and open space. These new developments have helped to provide more choice for residents. The Government no longer fund this type of physical regeneration. The Council do however continue to fund the empty property initiative which continues to tackle long term empty properties that are causing problems within the neighbourhoods. Even with this physical regeneration, a poor private rented sector undermines the regeneration of neighbourhoods as landlords do not manage the tenancies or condition of the properties.</p> <p>Selective licensing compels landlords to improve their management procedures. It ensures that landlords have the correct procedures in place to deal with any breaches of the tenancy agreement, such as causing anti-social behaviour and environmental crime. Landlords and managers are assessed against the fit and proper person criteria and their management standards are monitored. Those without the correct</p>
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		<p>low demand but where licensing is not in operation. Other landlords who have properties let out to tenants may not want to pay the additional burden of the license cost and the council could have a homelessness situation where tenants face displacement.</p> <p>All this obviously will cost the council money within an already demanding financial climate. I believe resources could be better utilised by continuing the work the Elevate scheme tried to do before funding ended; the scheme tried to clear, rebuild or remodel sub-standard housing. It is my honest opinion that this is the best option for the area. As we have already seen by the new houses that Gleeson have already built, there is an improvement, even if it just an aesthetic improvement it helps to attract potential for further developments.</p>	<p>standards in place will be urged to improve or will be unable to operate in these areas. These standards must be applied equally to all landlords to prevent undercutting practices and in order to see a collective improvement. By monitoring management standards within the area, the characteristics of low demand will be improved.</p> <p>The application fee is not a tax. It ensures that the scheme can be implemented and monitored successfully. The application fee for a licence has been structured to ensure it is as low as possible. There are discounts available for those who apply within 3 months of the introduction of each designation, a 30% reduction for those accredited under the Good Landlord and Agent Scheme and a further discount for those who have previously been licenced. There is also an option for payment to be made by Direct Debit to ensure that the application fee is affordable and manageable.</p> <p>Landlords are still investing in areas that have Selective Licensing. Trinity has experienced a 14% growth in its private rented sector of housing between 2014 and 2018. There is no evidence in the other selective licensing areas to show that rents have increased as a result. The Selective Licensing team work closely with Housing Needs who help to deal with homelessness. Selective licensing helps to reduce homeless by supporting landlords with problem tenants, and ensuring they do not carry out unlawful evictions.</p>
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			<p>Selective Licensing has contributed to improvements within all Burnley areas that have previously been designated. This includes an increase in the average house price. For example, Trinity, where Selective Licensing has been imposed for the longest amount of time, house prices have increased by over £7000 since 2013. Similar patterns have occurred in other areas where Selective Licensing has been introduced. There has also been a consistent decrease in the number of vacant properties in these areas.</p> <p>The number of anti-social behaviour incidences reported to the council in Trinity, Gannow and Burnley Wood have all decreased since the start of their designations. The proposed Daneshouse and Stoneyholme area, on the other hand, has seen an increase in the number of reports by almost double. Environmental crime has also reduced significantly in the majority of the areas subjected to Selective Licensing.</p> <p>Selective Licensing is not an initiative that is used in isolation, but sits within a wider Housing strategy. A multi-agency approach is needed to combat the complex social and economic issues that Burnley faces.</p>
18/10/2018	Homeowner	<p>We have never really had any problems with tenants in my area. I don't think it's an efficient way, as rental in this area is the lowest anyway, so any scheme would not give the landlord the return they would get or expect to get in the future.</p>	<p>Anti-social behaviour in the Daneshouse and Stoneyholme proposed designation area has increased significantly in recent years. Complaints to the Council have increased from 19 in 2014/15 to 37 in 2016/17. This is the highest increase in anti-social behaviour across all proposed and implemented Selective Licensing areas.</p> <p>The proposed designation area for Selective Licensing is composed of 31% private rented housing. Areas</p>

			<p>with over 19% of private rented housing are considered to have a high proportion of this type of accommodation.</p> <p>The main objective of Selective Licensing is to raise management standards of privately rented properties. It ensures that landlords are able to deal with tenancy breaches and that they are categorised as 'fit and proper' persons. Those that do not operate the correct practices will be encouraged to improve or face being unable to operate in the area. As a result of this, the characteristics of low demand are tackled.</p> <p>The scheme offers support for landlords but also provides help to tenants who are dealing with poor property conditions and are subjected to sub-standard management. The aim of the scheme for this area is to address issues of low demand and poor property conditions by improving management standards.</p>
10/10/2018	Tenant Homeowner	I am happy for any changes aimed to improve the area. But when it comes to dealing with non-law abiding difficult tenants, e.g. that cause damage to the rented properties, councils seems to provide little or no support to the landlord and that is why people choose to rent out cheaper to people they can trust.	<p>The scheme provides support to landlords who may struggle with issues relating to tenants. Landlord development days, anti-social behaviour training, a tenant referencing system and the help and advice of area officers can all be utilised as a tool to help deal with any problems that may arise. Information and support is provided that helps with the management of properties and tenants.</p> <p>The main objective of Selective Licensing is to raise the management standards of privately rented properties. It ensures that landlords are able to deal with tenancy breaches and that they are categorised as 'fit and proper' persons. Those that do not operate the correct practices will be encouraged to improve</p>

			or face being unable to operate in the area. As a result of this, the characteristics of low demand should reduce.
10/10/2018	Tenant Landlord Homeowner	The lists of streets which you are proposing to license in this area are mainly owned outright and people like myself living in the area. You cannot claim to be successful in the 3 selective licensing schemes in other areas which you have trialed for the past 5 years. The house prices remain the same, and the tenants don't have cars so leave rubbish fly tipping etc. in the back streets for Burnley council to pick up. I think with the exception of a few streets the Stoneyholme & Daneshouse ward is a much better area than you have negatively portrayed once again. Your crimes are on St James Street in the town centre at the weekends, so please disregard those figures like last time.	<p>The proposed designation area for Selective Licensing is composed of 31% private rented housing. Areas with over 19% of private rented housing are considered to have a high proportion of this type of accommodation.</p> <p>Selective Licensing aims to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area.</p> <p>The proposed designation area in Daneshouse and Stoneyholme has many characteristics of low demand and poor property conditions. Over 10% of properties in the area do not have central heating and are in fuel poverty. This is significantly higher than every other ward in Burnley. Average house prices in the designation zone were £38,554 in 2016/17 compared with the rest of the ward at £79,170. Burnley's average house price is higher than this at £88,187.</p> <p>There has been an improving picture across all Selective Licensing areas, and both statistical and anecdotal evidence has been gathered to evidence this. The Trinity area has seen continuous</p>

			<p>improvements, having been first introduced nearly 10 years ago. Selective Licensing is a long-term strategy and we appreciate that for the full effects to be experienced, a sustained approach is needed. Comparing the Trinity responses to those received for Daneshouse and Stoneyholme, more respondents support the proposals now, as they have experienced Selective Licensing's positive impact. House prices here have increased by approximately £7000 since the start of its second designation and environmental crime reports have also decreased.</p> <p>We acknowledge that the town centre experiences high crime rates; however, the focus for Selective Licensing is on private rented housing in low demand areas and those suffering with poor property conditions.</p>
3/10/2018	Landlord	<p>The licensing scheme is unnecessary and just a money grabbing scheme by the council. It forces rents upwards as the cost of the scheme is passed on from landlord to tenants. Standards can be improved through grants - but these have not been considered. Landlords will be forced to evict some tenants who damage property and send them onto neighbouring areas. In effect the root problems are just moved elsewhere. Property demand is low in this area as unemployment and low pay/ zero hour work is rife; these are the underlying reasons which will not be tackled by local government. Forcing this scheme (tax) on landlords will force many good landlords to sell up and go elsewhere.</p>	<p>The main objective of Selective Licensing is to raise management standards of privately rented properties. It ensures that landlords are able to enforce tenancy agreement terms effectively, and that they are categorised as 'fit and proper' persons. Those that do not operate the correct practices will be encouraged to improve or face being unable to operate in the area. As a result of this, the characteristics of low demand are tackled.</p> <p>The application fee is not a tax and the Council is not entitled to make a profit from Selective Licensing application fees. Landlords are entitled to put their rents up as they see fit, providing this is done legally within the terms and conditions of their tenancy agreements and are fixed at a reasonable level (i.e. in line with local rent levels). Having said that, there is no evidence in the other designated areas to suggest</p>

			<p>rents have risen as a result of Selective Licensing being introduced.</p> <p>The application fee is subjected to a number of discounts and can be as low as £369, which is low in comparison to other Councils operating the scheme. A direct debit payment option is also offered to help ensure the scheme is as affordable as possible. We trust that with these initiatives for making the application fee manageable, fee costs will not just be transferred onto tenants.</p> <p>The designated areas are monitored for both house sales and tenant movements. Where necessary, this information is shared with other agencies working with us to tackle antisocial behaviour. We also monitor the number of illegal evictions and relay any concerns to our Housing Needs team.</p> <p>Landlords are still investing in areas that have Selective Licensing. Trinity, for example, has experienced a 14% growth in its private rented sector of housing between 2014 and 2018 under Selective Licensing.</p> <p>We agree that poor quality housing is not the only factor affecting low demand, and the selective licensing areas face a complex set of social and economic issues. These issues demand a multi-agency approach and don't respond to 'quick fixes,' which is why the application to designate these areas is being made, to enable the delivery of more sustained improvements in these areas.</p> <p>The Council do offer targeted grants, e.g. for disabled facilities within the home, but unfortunately funding constraints preclude the provision of grants for general improvements. There are interest-free empty</p>
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			homes loans of up to £20,000 available for properties which have been empty for at least 6 months.
3/10/2018	Landlord	I don't think licensing is required in this area as there is a lack of properties available to rent not as you suggest. With licensing rents will go up and then there will be a problem with empty properties.	<p>The proposed designation area for Selective Licensing is composed of 31% private rented housing. Areas with over 19% of private rented housing are considered to have a high proportion of this type of accommodation.</p> <p>There is no evidence to prove that rents have gone up in areas that have previously been subjected to Selective Licensing. Landlords are entitled to put their rents up as they see fit, providing this is done legally within the terms and conditions of their tenancy agreements. These must be considered reasonable (i.e. in line with local rent levels). The application fee is subjected to a number of discounts and can be as low as £369, which compared to other Council's operating the scheme, is relatively low. The Council have also offered a direct debit payment option to ensure the scheme is as affordable as possible.</p> <p>In all previously Licensed areas the number of empty properties actually demonstrates a decrease. The Empty Homes team work alongside Selective Licensing on a number of initiatives to reduce the number of empty properties there. These include the availability of interest free empty homes loans of up to £20,000. They are also able to purchase a number of properties for renovation and resale. This contributes to further improvements within the Selective Licensing areas.</p>
2/10/2018	Landlord	Firstly I would like to say I am a good landlord, my tenants are happy, and my property is in very good condition. I keep on top of things to make sure all is	Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures that all landlords have the

		<p>ok with the neighbours, gas certificates are done every year and there is no anti-social behaviour in my area. I make sure the tenants don't leave a mess in backyard and back streets by regular checks. I have just one property for rent which is a mortgage buy to rent. I pay £225 mortgage a month and £23 landlord insurance a month, and then I pay the taxman on my profit after maintenance is taken out, which doesn't leave me with much. On top of that you want to charge me a license fee which I think is a bit out of order; just because there are some rogue landlords and some dodgy tenants about doesn't mean we are all the same. I will be honest and say I probably wouldn't rent my property anymore because I wouldn't be making any money at all.</p>	<p>necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. These regulations must be applied to all landlords within the areas to ensure that these standards are maintained. This will also help protect good landlords, by preventing more unscrupulous landlords from undercutting them.</p> <p>Working with landlords, tenants and managing agents we want to improve the sector and the reputation so it becomes tenure of choice. We aim to do this through landlord development days, forums and the accreditation scheme, making sure that landlords are aware of their rights and responsibilities.</p> <p>The applicant may receive a number of discounts. The applicants that are deemed as good landlords through the Council's Good Landlord and Agent Scheme receive a 30% reduction in their application fee. The overall application fee can be as low as £369 with the option of paying via direct debit to make it as affordable as possible.</p>
28/9/2018	Landlord	<p>I think selective licence shouldn't be used here as it is an unnecessary cost for the landlord. As a landlord, I ensure that prior to the tenants moving in checks are conducted thoroughly. Therefore in my opinion selective licence is an added hassle for landlords like myself.</p>	<p>Selective Licensing aims to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager are assessed</p>

			<p>against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. These regulations must be applied to all landlords within the areas to ensure that these standards are maintained.</p> <p>By making tenant referencing a mandatory requirement and offering a referencing service to assist with this, we are able to identify and monitor those that are associated with anti-social behaviour. Selective Licensing also assists landlords through development days, an accreditation scheme and the support of area officers.</p> <p>The application fee can be lowered considerably through discounts and made manageable through the option of a direct debit.</p>
26/9/2018	Homeowner	<p>Not a good idea at all. The cost is passed to tenants in the form of higher rents. This reduces disposable income so will prevent renters getting onto the property ladder. Also there are ways the tenant can raise issues for work to be done and enforcement if necessary. Money making scheme for the council. Has been rejected for my residences previously.</p>	<p>Some tenants feel too intimidated to report disrepairs to the council through fear of retaliatory eviction. To support Selective Licensing, proactive inspections are undertaken, through these proactive inspections more properties are improved by ensuring the conditions meet minimum standards. Selective Licensing also ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. These regulations must be applied to all landlords within the areas to ensure that these</p>

			<p>standards are maintained.</p> <p>The Council are not permitted to make a profit from Selective Licensing, and all monies received in fees are used in the processing and monitoring of the scheme. Landlords are able to increase their rents as they deem appropriate, considering it is done lawfully and in correlation with rents within the immediate area. The application fee is structured to be as reasonable as possible, especially for landlords who become accredited under the Good Landlord and Agent Scheme. The fee can be lowered to £369 and can be made payable through Direct Debit. By offering discounts and alternative payment types, such as Direct Debit, we trust that rent for tenants will not be affected.</p>
24/9/2018	Landlord	<p>I think that this is just another money making scheme. You offer no support when a tenant trashes their house or when rent is in arrears. Landlords do not need to give the Council more of their money.</p>	<p>The Selective Licensing application fee is used solely for processing applications and monitoring areas. The Council does not make a profit from this. It is also made as affordable as possible through the option of Direct Debit payment and a number of discounts. The application fee can be lowered to £369, which when considering other Councils operating the scheme country-wide, is comparatively low.</p> <p>The aim of Selective Licensing is to ensure that all landlords maintain a high standard of management. They are required to meet minimum expectations and qualify as a 'fit and proper' person. The Council offers support for landlords experiencing problems with tenants through area officers who offer support and advice. Alongside this, landlord development days and an anti-social behaviour training day are offered in order to provide landlords with the</p>

			information and skills needed to assist with any tenant or property related issues.
21/9/2018	Landlord Homeowner	I do not agree with the licensing. Where our home and properties are located there are no issues. Also I am concerned that introducing licensing will have a negative impact on house prices and also the image of the area as it is only being introduced in certain wards of Burnley, suggesting there is an issue in these wards which will or can impact on house prices. Previous research indicates a drop from prices by 15%.	<p>The proposed designation area for Daneshouse and Stoneyholme has experienced several characteristics of low demand and poor property conditions. An example of this is that in recent years property prices have decreased in the proposed Daneshouse and Stoneyholme area (which is not the whole of the ward) by approximately £5000 between 2013 and 2017 to £38,554. This is the opposite of what has occurred in the rest of the ward, where house prices have increased by approximately £8,500 to an average of £79,170 in 2017. House prices in the proposed designation area are nearly half that of the rest of Daneshouse and Stoneyholme, whereas areas that have already experienced Selective Licensing have seen house prices predominantly increase. For example in Trinity (which has been under designation for the longest period), house prices have increased by over £7000 between 2013 and 2017. This is helping raise house prices in Selective Licensing areas to the averages set by the rest of the ward.</p> <p>The aim of Selective Licensing is to ensure that all landlords maintain a high standard of management. They are required to meet minimum expectations and qualify as a 'fit and proper' person. They must ensure they are able to cope with any tenancy breaches. Those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. By adhering to these standards, improvements arise such as a reduction in anti-social behaviour and environmental</p>

			crime.
19/9/2018	Homeowner	Selective licensing brings down the area, look at Trinity ward.	<p>Over the past ten years of the Trinity designations, the area covered (which is smaller than the Trinity ward as a whole), has actually seen an improved picture. This explains why our consultation results show a majority of residents there do support a further 5 year designation. Since the start of its second designation, house prices in the Trinity designation have increased by £7000, and anti-social behaviour and environmental crime have also decreased.</p> <p>The main aim of Selective Licensing is to ensure that all landlords maintain a high standard of management. They are required to meet minimum expectations and qualify as a 'fit and proper' person. This initiative has been successful in Trinity and if applied to Daneshouse and Stoneyholme, we are confident that a similar result will be achieved.</p>
19/9/2018	Landlord	I think houses in Daneshouse and Stoneyholme area are in very good state of repair. As a landlord I look after my properties and tenants are happy with my service. If the landlord licensing Scheme is introduced, Landlords will be reluctant to work with Council tenants and will look for private tenants which they easily find. In my personal the Council should not introduce this scheme in Daneshouse in order to encourage Landlords to offer their properties to the Council tenants.	<p>Selective Licensing only covers the private rented sector, and aims to ensure that all landlords maintain equal management standards. The Council does not have tenants, and no longer owns any properties, having transferred its housing stock in 2000 to Calico Housing Association. Under Selective Licensing, landlords are required to meet minimum 'fit and proper' requirements, helping to prevent undercutting practices. They must also ensure they are able to deal with any tenancy breaches. Those without the correct procedures in place will be supported and encouraged to improve, or ultimately face being unable to operate in the area.</p> <p>Evidence shows that housing condition is currently poor in the proposed designation area of Daneshouse</p>

			<p>and Stoneyholme. For example, over 10% of the whole ward does not have access to central heating; this is the highest rate in the entire Burnley borough. The ward also has the second highest rate of disrepairs reported to the council. These statistics are of particular concern and with Selective Licensing these property conditions can be monitored and proactively improved.</p> <p>We appreciate there are reputable landlords operating within Burnley, however there remains poor landlords in operation, who practice ineffective management and allow sub-standard property conditions.</p>
18/9/2018	Homeowner	In other areas selective licensing has caused problems. Do not want to see it in this area.	<p>Selective Licensing has contributed to the several improvements that have been made across all other areas that have been subjected to the scheme. This includes a consistent increase in house prices, lower incidences of environmental crime and anti-social behaviour.</p> <p>Trinity, where the scheme has been relevant for nearly 10 years has seen a number of positive impacts. House prices here have increased by approximately £7000 since the start of its second designation and environmental crime and anti-social behaviour reports have decreased.</p> <p>We are confident that if Selective Licensing in Daneshouse and Stoneyholme is approved then similar benefits will follow.</p>
18/9/2018	Tenant	I do not believe that this area requires licensing as it's nearly impossible to rent a house. There is a shortage of housing not houses boarded up. Where has the council come up with that idea? I know plenty of houses boarded up in the licensing area	<p>Within the Daneshouse and Stoneyholme designation area, 9% of all dwellings are empty properties. Selective Licensing can help to overturn this characteristic of low demand. The Council offer a number of initiatives to landlords to help with empty</p>

		just down the road.	properties including interest free loans of up to £20,000. The Empty Homes team, who operate within Selective Licensing areas, also purchase a number of properties per year for renovation and resale. These properties must be completed to a standard that is deemed acceptable by the Council. In all areas that have experienced Selective Licensing, the number of empty properties have decreased, making more available for tenants.
18/9/2018	Homeowner	This is another scam; a money making scheme for the local authorities to rob the local deprived community.	The proposals are not a money making exercise, and the Council is not authorised to make any profit from Selective Licensing application fees. All monies are utilised in providing the scheme, including processing applications and monitoring areas. The aim of Selective Licensing is to improve standards of management within the private rented sector. By requesting minimum management practices and ensuring that landlords comply to the 'fit and proper' persons criteria, this is achieved. The consequences of raising management standards will benefit the local community by combatting issues of low demand and poor property conditions.
18/9/2018	Homeowner	Selective licensing will be bad for the area, as it will bring down house prices.	Selective Licensing has proven to actually increase house prices in all areas that have previously been subject to the scheme. It has contributed to a number of improvements relating to anti-social behaviour, environmental crime, fuel poverty, property condition and the number of empty homes. The main aim of Selective Licensing is to raise management standards within the private rented sector. Landlords must prove that they are able to deal with potential breaches of tenancy and meet the fit and proper person criteria. By ensuring that all

			landlords meet these standards an improvement for the area will be seen. This includes reduced anti-social behaviour, environmental crime and an improvement in property conditions. If landlords fail to meet the standards required, they will need to improve their practices or will be prevented from operating in these areas.
18/9/2018	Landlord	Against Selective Licensing	Further detail needed to respond to this.
18/9/2018	Landlord	Against Selective Licensing	Further detail needed to respond to this.
18/9/2018	Landlord	I do not see the point of the council implementing selective licensing as landlords have the legal rights and responsibilities to look after the tenants, ensuring the accommodation is in liveable condition. Paying the extra licensing fee can only benefit the council and I do not see any benefit to me as a landlord.	Although some landlords are aware of their rights and responsibilities associated with their position and abide by them, many are not and do not. Selective Licensing ensures that all landlords meet set standards of management. They are required to meet minimum expectations and qualify as a 'fit and proper' person. They must ensure they are able to cope with any tenancy breaches. Those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. In the Daneshouse and Stoneyholme designation area there are significant issues with property conditions and characteristics of low demand. The Council does not benefit financially from the Selective Licensing application fee; it is used solely to implement and monitor the scheme. This provides a service for landlords and tenants to call on for advice, information and support. Landlord development days, anti-social behaviour training and area officer's support and advice are all part of the service provided to landlords to ensure that their management practices are satisfactory.

15/9/2018	Landlord	<p>I think this is daylight robbery; the Council cannot improve anything - look at Ford Street for an example. There are rats roaming the streets and black bags of rubbish and empty houses everywhere.</p> <p>Please do not bring this into Daneshouse. Thanks</p>	<p>Selective Licensing is a long-term approach that focuses upon improving landlord management practices. As a result, low demand and poor property conditions within areas with a high proportion of private-rented housing are improved. Managers must ensure they have the correct standards in place to deal with any tenancy breaches and must also meet the 'fit and proper person' criteria. Failure to do this can result in an encouragement to improve or being disallowed to operate in these areas.</p> <p>Ford Street which you use as an example is within the Queensgate designation area, which has experienced significant improvements. House prices have increased from £37,498 in 2013, at the beginning of the first designation, to £42,743 in 2016/17. (This is still lower than borough and ward averages, as the scheme aims for longer term and sustained improvements). The number of empty properties has also decreased by 12% since the designation was introduced, and reports to the police regarding ASB have decreased by 205 accounts.</p> <p>Selective Licensing also allows us to focus on particular streets suffering from poor environmental conditions. For example, we worked in partnership with other departments and agencies to deliver a joint working project with Streetscene in August 2018, where we ran a 'deep cleanse' operation across Rylands, Ford and Heap streets in Queensgate to tackle dirty back yards and streets.</p> <p>Selective licensing has contributed to the improved picture in Queensgate and if introduced in Daneshouse and Stoneyholme, a similar positive impact would occur.</p>
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15/9/2018	Landlord	Red tape not help	<p>Selective Licensing provides services that aim to help all members operating in or living within the designation area; this includes, landlords, managing agents, homeowners, local businesses and tenants. The main goal is to improve management practices within areas that have high proportions of private rented properties. By ensuring that all landlords meet the essential fit and proper person criteria, and ensuring they possess the knowledge and skills required to deal with tenancy breaches, these standards will be raised. Landlords without adequate practices will be required to improve or face being unable to operate in these areas; this can only impact positively on low demand and poorer property conditions.</p>
14/9/2018	Other	Don't want to hike up cost of living, fuel council and prosecutions to pay for your tax demands.	<p>The Council are not permitted to profit from Selective Licensing. All monies raised through the application fee are used to implement and monitor the scheme.</p> <p>Prosecutions are only used when necessary, where there is evidence of non-compliance or breaches within licence conditions. This can put any tenants at risk and is used as a deterrent for poor standards of management. The Council aim to cooperate with landlords and provide support and advice to help deal with issues that may arise during a tenancy. There is no evidence of rent increases in other areas that have been subjected to Selective Licensing. The application fee has been structured in a way that aims to make it as affordable as possible for good landlords. There is an early application discount available, a discount for those that have been previously licenced and a 30% reduction for those</p>

			accredited under the Good Landlord and Agent Scheme. This brings the total cost to as low as £369 and can be made payable by direct debit to ensure that it is affordable. We are hopeful that with these measures that the fees are not transferred over to tenants in the form of higher rents.
14/9/2018	Landlord	I already have tenants in this area; unfortunately they are the ones who leave a mess in the back yard and have damaged the property, but yet I am the one receiving letters from the council to clean up or be sued. I am currently in the process of evicting them through the courts, which again is not an easy or cheap process and rent has been stopped. I feel this licensing will give tenants more power to abuse the system and make it even more frustrating for the landlord, as they will be responsible for the damage caused by tenants leaving them out of pocket.	Selective Licensing requires that landlords have adequate management in place to deal with potential breaches of tenancies, including anti-social behaviour and environmental crime. Raising the standards for property management in the private rented sector requires all landlords to meet the fit and proper person criteria. All landlords must adhere to these standards to ensure a collective improvement is made. Selective Licensing offers support and advice to landlords who have experienced tenants breaching their tenancy terms. Information and support is provided through landlord development days, anti-social behaviour training and the advice of area officers. Tenant reference checks are a condition of all licences granted, and a referencing service is provided before landlords enter into a contract with potential tenants. Council Officers do a series of checks to see whether tenants would be suited to a particular property. Landlords are also requested to do their own checks, which may include credit checks and speaking to previous landlords. The Council ensures that if reasonable steps are being taken to resolve an issue, i.e. in your case, following the legal process for eviction, that further action is not taken.
14/9/2018	Homeowner	It's going to cost home owners more money to spend on their house. It's just an easy way for	The scheme is aimed solely at private rented properties. Homeowners would not incur any

		council to make more money. If the licensing is free then it's worth it	additional costs as a result of Selective Licensing. The scheme is aimed at improving management practices within the private rented property by ensuring that all landlords meet set criteria and have the framework in place to deal with any issues or tenancy breaches. In turn, this should support improvements in areas of low demand and poor property conditions. The application fee that is associated with Selective Licensing is used solely for the implementation and monitoring of the scheme. The Council are not permitted to make a profit from Selective Licensing.
14/9/2018	Landlord	We strongly reject this idea and it is a waste of time - and making the life difficult for people in Burnley. All the community in the area are unhappy about this scheme; we are thinking to hold large protests and invite the media as well if it is not scrapped.	Selective Licensing requires that landlords have the management in place to deal with potential breaches in tenancies, including anti-social behaviour and environmental crime. Raising the standards for property management in the private rented sector requires all landlords to meet the fit and proper person criteria and to live within 40 minutes from Burnley to prevent issues associated with absentee landlords. We are currently reviewing the consultation outcomes, so no decision has yet been made on Selective Licensing in the Daneshouse and Stoneyholme area. You are of course free to exercise your view however you deem appropriate.
14/9/2018	Homeowner	I think this is a very bad idea to implement. If a landlord only has one property to let, charging him a large sum of money will affect his income and also how much he is able to spend on his property. More properties will become uninhabited or remain closed, leading to more loss in the area. All tenants should be allowed to complain and the individual	The price of a licence starts initially at £750 for landlords that only operate one property within a Selective Licensing area. This is further reduced by 30% for those demonstrating good management practices through membership of the Council's own free Good Landlord and Agent Scheme. This takes the application down to £525. If the application is

		landlord held responsible.	<p>completed within the first 3 months of the designation's introduction, another £100 is taken off the price, bringing the total fee down to £425. With people that have more than one property, additional discounts are offered, taking the fee to £369, or equating to £74 a year over the 5 years. If the landlord's property is occupied an extra month during the course of the 5 year period due to our intervention, they will be 'in pocket' as the fee will have paid for itself. The application fee can also be paid by direct debit to make payment more affordable.</p> <p>The main goal is to improve management practices within areas that have a high proportion of privately rented properties. By ensuring that all landlords meet the essential fit and proper person criteria and are equipped to deal with problems related to tenancy breaches, these standards will improve. Landlords without adequate practices will be required to improve or face being unable to operate in these areas; this impacts positively on low demand and poor property conditions.</p> <p>In areas that have previously experienced Selective Licensing, the number of empty properties has consistently decreased.</p> <p>The Council undertake proactive inspections in the selective licensing areas. Through these proactive inspections more properties are improved by ensuring the conditions meet minimum standards.</p>
12/9/2018	Tenant	Please do not make me homeless by increase rent to pay.	There is no evidence of rent increases in other areas that have been subjected to Selective Licensing. The application fee has been structured in a way that

			<p>aims to make it as affordable as possible for good landlords. There is an early application discount available, a discount for those that have been previously licenced and a 30% reduction for those accredited under the Good Landlord and Agent Scheme. This brings the total cost to as low as £369 and can be made payable by direct debit to ensure that it is affordable. We are hopeful that with these measures that the fees are not transferred over to tenants in the form of higher rents.</p> <p>The Selective Licensing team work closely with the Housing Needs team who assist with cases of homelessness. There have been no increased cases of homelessness in previously designated areas. Selective Licensing assists with preventing homelessness as we are able to monitor the number of illegal evictions and act against landlords that are operating in this manner.</p>
12/9/2018	Housing Association Tenant	We are already living in a harsh, expensive, tax-heavy society. This is just another way of making families more destitute and homeless. Not to mention the extortionate prices. No selective licensing.	<p>The application fee has been structured in a way that aims to make it as affordable as possible for good landlords. There is an early application discount available, a reduced price for those that have been previously licenced and a 30% discount for those accredited under the Good Landlord and Agent Scheme. This brings the total cost to as low as £369 and can be made payable by direct debit to ensure that it is manageable. When considering other Council's operating the scheme country-wide, the figure that Burnley Council requires is significantly lower.</p> <p>We are hopeful that with these measures that the fees are not transferred over to tenants in the form of higher rents. There is no evidence of rent increases</p>

			<p>in other areas that have been subjected to Selective Licensing.</p> <p>The Selective Licensing team work closely with the Housing Needs team who assist with cases of homelessness. There have been no increased cases of homelessness in previously designated areas.</p> <p>Selective Licensing assists with preventing homelessness as we are able to monitor the number of illegal evictions and act against landlords that are operating in this manner.</p>
12/9/2018	Landlord Homeowner, Tenant	Council out of touch, imposing increasing council taxes and expenses; mandatory licensing will increase unaffordable housing and rental profitability. Except by market forces there is no evidence of improving quality of life or standard of living by paying more for the roof over your head.	<p>There will be no increase in Council tax as a result of Selective Licensing. The application fee is used solely to implement and monitor the scheme, and the Council is not permitted to make any profit from it.</p> <p>The application fee is subject to a range of discounts, taking the cost to as low as £369. Alongside this, fees can be paid via direct debit to make this more affordable for landlords. We are hopeful that the manageability of this fee structure will not then result in an increase in rents. There has been no evidence to suggest this has occurred in other Selective Licensing areas.</p> <p>Whilst we want to attract investment to areas of relatively low demand, this must be balanced against the goal of Selective Licensing to improve management practices within areas that have high proportions of private rented properties. By ensuring that all landlords meet the essential fit and proper person criteria and are able to deal efficiently with tenancy breaches, these standards can be raised. Landlords without adequate practices will be required to improve or face being unable to operate</p>

			<p>in these areas. The improvement of standards impacts positively on low demand and property conditions. House price increases are a positive for the area, as it shows that improvements have been made and buyers do want to invest in these areas.</p> <p>In areas that have already experienced Selective Licensing there has been several improvements. The number of anti-social behaviour incidences reported to the council in Trinity, Gannow and Burnley Wood have all decreased since the start of their designations. The proposed Daneshouse and Stoneyholme area, on the other hand, has seen an increase in the number of reports by almost double. Environmental crime has also reduced significantly in the majority of the areas subjected to Selective Licensing.</p>
12/9/2018	Landlord Homeowner	<p>The area is mainly owner occupied, and there are very few empty properties; the housing market suggests that houses in this area get sold to extended community members (children getting married who want to stay in the area close by parents etc.). Very few houses are coming on the market and when they do it is a supply/demand option in Stoneyholme/Daneshouse. Private Landlords are not the problem; bad tenants and littering etc. is the issue on 1 or 2 streets in the area. The majority of the area is good.</p>	<p>The proposed designation area for Selective Licensing is composed of 31% private rented housing. Areas with over 19% of private rented housing are considered to have a high proportion of this type of accommodation. In addition 9% of homes in the proposed designation area are empty properties; this is comparatively high to the majority of other wards in Burnley. With Selective Licensing we will be able to monitor tenants, property and management conditions and behaviour. Selective licensing helps ensure that landlords know how to manage tenants that may breach their tenancy effectively and adequate reference checks are made before a tenancy is taken up. Environmental crime and anti-social behaviour have decreased in areas that have already undergone Selective Licensing.</p>

9/9/2018	Landlord Homeowner	We don't need the area to be selective licensing. The community housing situation is very well under control and the situation is very much in control.	<p>The area has experienced characteristics of low demand and poor property conditions, and Selective Licensing will help to tackle these. Daneshouse and Stoneyholme has a high proportion of private rented properties, with 31% of all houses being privately rented. Over 10% of houses in the ward did not have any central heating; this is the worst ranking ward in the entire Burnley borough. From a sample of 80 inspections that were conducted in the area, nearly half (38) were without Energy Performance Certificates (EPCs). Of the 42 that were collected, 17 were rated below an E, which indicates poor energy performance. This is suggestive of high levels of fuel poverty in the area and poor property conditions.</p> <p>Alongside this, the incidence of anti-social behaviour reported to the Council in Trinity, Gannow and Burnley Wood have all decreased since the start of their designations. The proposed Daneshouse and Stoneyholme area on the other hand has seen such incidents almost double. Environmental crime has also reduced significantly in the majority of the areas already subject to Selective Licensing.</p> <p>The main goal is to improve management practices within areas that have high proportions of private rented properties. By ensuring that all landlords meet the essential fit and proper person criteria and are able to deal with problems related to tenancy breaches, these standards will be raised. Low demand and poor property conditions can be combatted by the improvement of management standards.</p>
8/9/2018	Landlord	There aren't any empty houses In Stoneyholme, the	Empty properties account for 9% of the housing

	Homeowner	houses prices have steadily risen and I strongly oppose the licensing	<p>within the proposed designation area, and this average is 3% higher than that of the whole of Burnley. In other areas that have already had Selective Licensing, this has decreased.</p> <p>Across the entire Daneshouse and Stoneyholme ward, house prices have indeed increased, by approximately £8,500 to an average of £79,170 in 2017. However within the proposed designation area (which is not the entire ward), house prices have decreased by approximately £5000 between 2013 and 2017 to £38,554. House prices in the proposed designation area are nearly half that of the rest of Daneshouse and Stoneyholme.</p> <p>In areas that have already experienced Selective Licensing, house prices have increased. For example Trinity, which has been under the scheme for the longest amount of time, here house prices have increased by over £7000 between 2013 and 2017. This is helping raise house prices in Selective Licensing areas to the average in the rest of the ward.</p>
8/9/2018	Homeowner	I don't want licensing because we don't have empty houses in Daneshouse and Stoneyholme.	<p>The main goal is to improve management practices within areas that have high proportions of private rented properties, not just tackling empty homes. By ensuring that all landlords meet the essential fit and proper person criteria and are able to deal with problems proficiently related to tenancy breaches, these standards can be raised. Raised management standards will consequently result in an increase in demand and property conditions in the area.</p> <p>Daneshouse and Stoneyholme proposed designation area has a significant level of empty properties, as they account for 9% of the housing within the</p>

			proposed designation area. This average is 3% higher than that of the whole of Burnley. In other areas that have already had Selective Licensing, this has decreased.
8/9/2018	Homeowner	Licensing is not required. Council only want to make money; there are rats in the local area and fly tipping.	The Council does not make any profit from Selective Licensing. All money collected from application fees go towards the implementation and monitoring of the scheme. Selective Licensing has contributed to the reduction of environmental crime, such as fly tipping, in previously designated areas.
6/9/2018	Homeowner	I have never come across any problems in my area.	Daneshouse and Stoneyholme designation area demonstrates several characteristics of low demand and poor property conditions. By improving the management of privately rented properties, these characteristics can be overturned.
5/9/2018	Homeowner	This certification needs to be for those who have many properties and offer those properties for rent. However, those who own and live in their own property should be exempted from this extra financial burden, as most of the people living in their own houses are poor.	Homeowners do not have to pay anything towards Selective Licensing. The scheme is aimed only at private rented properties and their landlords. The main goal is of improving management practices within areas that have high proportions of private rented properties. By ensuring that all landlords meet the essential fit and proper person criteria, these standards can be raised. This must be applied to all landlords to ensure a collective improvement is seen.
4/9/2018	Landlord	I think introducing the scheme in this area is pointless as the majority of the houses are owner occupied and very few are rented. This is just an extra burden on landlords who maintain the house as well as pay 1/3 of their rent income as licence fee.	The proposed designation area for Selective Licensing is composed of 31% private rented housing. Areas with over 19% of private rented housing are considered to have a high proportion of this type of accommodation. The licence fee can be subjected to a number of discounts, making it as low as £369, and there is an option to make this payable by direct debit. The fee structure intends to make the application fee for

			<p>Selective Licensing as low as possible.</p> <p>The main goal is of improving management practices within areas that have high proportions of private rented properties. By ensuring that all landlords meet the essential fit and proper person criteria and displaying their ability to deal with problems related to tenancy breaches, these standards can be raised.</p>
4/9/2018	Homeowner	<p>No need to for this Selective Licensing in the area. Stoneyholme has very few houses that are vacant and this is just a money making scheme with no positive outcomes.</p>	<p>Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area.</p> <p>By raising management standards, characteristics of low demand can be combatted. Empty properties are a prominent issue within the proposed Daneshouse and Stoneyholme designation area, accounting for 9% of the housing; this average is 3% higher than borough-wide. In other areas that have already had Selective Licensing, this has decreased.</p> <p>The Council make no profit from this scheme, and all the monies obtained as application fees go to processing, monitoring and running the scheme.</p>
3/9/2018	Homeowner Landlord Tenant	<p>Most houses are occupied and most private landlords have very good standard homes for rent. There is no need to introduce the selective licensing in this area and your facts and figures will confirm this too. We need to see strong evidence from the</p>	<p>The proposed designation area for Selective Licensing is composed of 31% private rented housing. Areas with over 19% of private rented housing are considered to have a high proportion of this type of accommodation.</p>

		<p>council to support their claims to introduce the scheme in this area, but this has clearly happened in the past and this area doesn't need to implement such schemes. Maybe you need to think about face-lifting and improving the impression of the area rather than target landlords.</p>	<p>Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. By increasing these standards, the characteristics of low demand are reduced. The proposed designation area of Daneshouse and Stoneyholme shows a number of these characteristics of low demand and poor property conditions. An example of this is that in recent years property prices in the proposed area have decreased by approximately £5000 between 2013 and 2017 to £38,554. This is in contrast to the rest of the ward, where house prices have increased by approximately £8,500 to an average of £79,170 in 2017; in fact house prices in the proposed designation area are nearly half that of the rest of Daneshouse and Stoneyholme.</p> <p>In areas that have already experienced Selective Licensing, house prices have predominantly increased. For example Trinity, (under the scheme for the longest amount of time) house prices have increased by over £7000 between 2013 and 2017. This is helping raise house prices in Selective Licensing areas to the averages set by the rest of the ward.</p> <p>Other issues facing the area include empty</p>
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			<p>properties, which account for 9% of the housing within the proposed designation area; this is 3% higher than the whole of Burnley. In other areas that already have Selective Licensing, empty homes are decreasing.</p> <p>Reports of anti-social behaviour in Daneshouse and Stoneyholme have soared within recent years. Within the proposed Selective Licensing area the number of accounts per year have increased from 19 (2014/15) to 37 (2016/17), contrary to the trend that is occurring in current Selective Licensing areas, where improvements have been made.</p> <p>Property conditions within the area are also of significant concern. Over 10% of houses in the ward did not have any central heating; this is the worst ranking ward in the entirety of Burnley. From a sample of 80 inspections that were conducted in the area, nearly half (38) were without Energy Performance Certificates (EPCs). Of the 42 that were collected, 17 were rated below an E, which indicates very poor energy performance. This is suggestive of high levels of fuel poverty in the area and poor property conditions.</p> <p>Regarding your suggestion of face-lifting, such initiatives are already being used in other Selective Licensing areas. These include programmes through the Empty Homes team (who work closely with the Selective Licensing team) on painting schemes, offering interest-free empty homes loans up to £20k and the purchase of a number of longer term empty properties per year for refurbishment and resale.</p>
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			This helps to contribute to the aesthetic improvement of Selective Licensing areas.
3/9/2018	Landlord	This area doesn't need licensing; it's been good. The Council just want to pocket the money, that's all they are bothered about.	The area has suffered with several characteristics of low demand and poor property conditions. The Selective Licensing scheme would work to improve this by raising management standards for privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. The Council does not profit from the scheme and all funds received through the application fee are utilised for processing and monitoring the areas.
3/9/2018	Landlord	Hahahah	Further explanation needed to comment.
3/9/2018	Landlord	This selective licensing scheme seems to me a bit overboard as there is a vast amount of anti-social behaviour going on in Stoneyholme and yet no one seems to be doing anything about it and the council are too keen to introduce law after law for their benefit in order to generate cash.	With Selective Licensing it is much easier for the Council to monitor and respond to incidences of Anti-Social Behaviour. In current designation areas there has been a reduction in this type of activity. Selective Licensing aims to tackle poor management practices in the private rented sector that can result in breaches of tenancy (including anti-social behaviour). It ensures that landlords have the necessary management procedures in place to deal with these issues. The Council does not generate a profit from Selective Licensing; the application fee is used solely to monitor and implement the scheme.
3/9/2018	Homeowner	Selective licensing will bring about a drop in house	The proposed designation area for Selective Licensing

		<p>prices, this has happened everywhere that it's been introduced. Also selective licensing has not improved areas where it has been introduced. Also Daneshouse has a large percentage of owner occupied houses.</p>	<p>is composed of 31% private rented housing. Areas with over 19% of private rented housing are considered to have a high proportion of this type of accommodation.</p> <p>The main aim of Selective Licensing is to improve management standards within area that have high proportions of private rented properties. By ensuring that minimum standards and the fit and proper person criteria are met, this will ascertain that any breaches in tenancy or other issues are addressed. This has a positive impact on Selective Licensing areas, which suffer with low demand and/or poor property conditions.</p> <p>Average house prices in the designation zone were £38,554 in 2016/17 compared with the rest of the ward at £79,170. Burnley's average house price is higher than this at £88,187.</p> <p>There has been an improving picture across all Selective Licensing areas, both statistical and anecdotal but particularly in terms of house prices. The Trinity area has seen a continuous improvement having been first introduced nearly 10 years ago, and house prices here have increased by approximately £8000 since the start of its second designation. Alongside this, the number of empty properties in the area has decreased by 28% since 2014; environmental crime and anti-social behaviour incidences have also decreased.</p>
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Agree with the Council’s proposals to introduce Selective Licensing in Daneshouse and Stoneyholme

Date	Tenant/Landlord/Homeowner/ Local Business	Query/Comment	Burnley Borough Council Response
26/11/2018	Homeowner	<p>Landlords should carry out vetting of their tenants. Increase of anti-social behaviour so police coming to the area has increased, as has fly tipping. House prices have dropped considerably since joining Daneshouse and Stoneyholme ward.</p> <p>Landlords should vet their tenants before letting their properties out to them and keep a regular check on their tenants and maintain their properties. Landlords should be acting sooner regarding problems with their tenants and properties when it has been reported to them, and there are too many rented properties in the area. Regarding Colne Road, Thursby Square, Tennis Street and Lawn Street, Burnley: house on (DETAILS REDACTED) was being rented out as multiple occupancy property for over 12 months and it was not licensed to do this. The tenants would only stop in the property for around 4 to 6 weeks then new tenants would move in. This was reported to the council several times. Resident's vehicles and properties are being damaged by balls and other items being thrown or kicked. Please could NO BALL GAMES signs be put up in the area? Increase in fly tipping is being reported to the council, which seems to be when a tenant has left a rented property. There has been a rise in dirty backyards and the sighting of rats in the area. The Council have been made aware of this problem and have come out, but said they cannot put poison</p>	<p>The main goal is to improve management practices within areas that have high proportions of private rented properties. By ensuring that all landlords meet the essential fit and proper person criteria and displaying their ability to deal with problems related to tenancy breaches, these standards can be raised. This must be applied to all landlords to ensure a collective improvement is seen. By ensuring these standards are met, the consequences will be improvements for low demand and property conditions.</p> <p>In reference to the quality of tenants in these areas, landlords are bound by their license conditions to reference all prospective tenants before placing them in a property. Failure to reference tenants and provide evidence of their methods may result in action being taken against licence holders for breaching their licensing conditions. The selective licensing team also offers reference checks for landlords free of charge. These checks highlight any anti-social behaviour that may have occurred, but as they are unable to highlight how the tenant has conducted their previous tenancy or any arrears, landlords should also undertake their own checks to avoid issues of damage and arrears occurring.</p> <p>In other areas already subject to Selective Licensing, an improvement across a number of criteria has been experienced. These include increasing house prices, together with decreasing anti-social behaviour and</p>

		<p>down due to animals and children. Residents have been asked to stop putting food out for the birds but they are still doing this.</p> <p>Front and back streets do not get swept on a regular basis. Drains on front and back streets are blocked up; this has also been reported to the council. The Council insists that the drains have been unblocked but they have not.</p>	<p>environmental crime levels. Improvements in fuel poverty and a decrease in the number of empty properties have also been seen through the term of the scheme.</p> <p>Landlords are responsible for the action of their tenants and if any problems are experienced then they will be contacted and required to take action. Reports can be made directly to the Selective Licensing team direct, or via regular area drop-in sessions. These local surgeries give the community an opportunity to communicate any concerns in the presence of Council and Police officers. These issues will be communicated to landlords and monitored to ensure that appropriate action is taken.</p> <p>Selective Licensing only deals with issues regarding privately rented properties, but its area officers also work closely with the Council's Streetscene service. Please contact the Housing department regarding your concerns about Houses in Multiple Occupation (HMOs) to discuss this further.</p>
26/11/2018	Homeowner	<p>About Tennis Street, Lawn Street, Thursby Square; landlords should vet their tenants before letting properties, they should also act sooner on any problems about properties. Because of anti-social behaviour the police have been numerous times over the last year. Lack of street and back street cleaning leading to rats being seen. Council made aware of this, but very little being done about it.</p>	<p>Selective Licensing requires landlords to reference check their tenants prior to letting their properties. It aims to improve management practices within areas that have high proportions of private rented properties. By ensuring that all landlords meet the essential fit and proper person criteria and are able to deal with problems such as antisocial behaviour and environmental crime such as dirty back yards and fly tipping, these standards can be raised. However, they must be applied equally to all landlords to ensure a collective improvement is seen.</p> <p>The team are in close contact with landlords and managing agents in order to deal with prospective</p>

			issues. Proactive inspections can be undertaken for properties in poor condition, and the Selective Licensing team work closely with other departments such as Streetscene to ensure other issues are attended to.
7/11/2018	Homeowner	Management fees to acquire poor stock for lucrative lettings must show good repairs that fall into technical licensing requirements. Undisclosed verification, minimum tenancy holdings of 3-6 months show occupancy of 'preferred lets' and 'recreational' purposes of use. Should audit Housing benefit payments to agents/landlords. Safekeeping issues of risks of harmful behaviour to owner-status residents should be taken up with landlords, investors and agents immediately. Make careful decisions on Council's economic prosperity strategy on the suitable occupancy of property on a proportional debate.	The main goal is of improving management practices within areas that have high proportions of private rented properties. By ensuring that all landlords meet the essential fit and proper person criteria and displaying their ability to deal with problems related to tenancy breaches, these standards can be raised. This must be applied to all landlords to ensure a collective improvement is seen. The Selective Licensing team works closely with landlords to ensure that any problems in their properties are dealt with. Local residents can relay these issues by contacting the team or attending drop-in sessions that are attended by Council and Police Officers. Any issues that emerge will be reiterated to the landlord and required to be addressed. The Council undertake proactive inspections in the selective licensing areas. Through these proactive inspections more properties are improved by ensuring the conditions meet minimum standards. In the case of rent arrears, landlords can apply for their tenant's Universal Credit/Housing Benefit to be diverted to them to ensure that they are paid rent.
8/10/2018	Homeowner	There should be an annual renewal fee due as is the case for any other licence. All rented properties should require council tax to be covered in the rent and also water rates, unless it is metered. I don't agree with exempting a licence if renting out to family members unless they are self-sufficient i.e.	Thank you for your comments regarding amendments and additional information that you feel is needed under Selective Licensing. Your views have been noted. Exemptions related to family members are set out in legislation, so unfortunately that is not something we could influence.

		not claiming any other support or benefits.	At present, the fee for Selective Licensing is attached as part of the application. It is needed for the implementation and monitoring of the scheme and lasts the duration of the designation period. In Burnley, this period has consistently been 5 years.
6/10/2018	Homeowner	Private landlords in this area do not care about the residents who own their homes. They ignore complaints because they do not live in this area.	Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area.
1/10/2018	Other	<ul style="list-style-type: none"> • Multiple occupancy • Fly tipping • House values going down • Houses tested for gas and electric by a proper engineer • Parking • Anti-social behaviour • Being taken out of Bank Hall ward to Daneshouse and Stoneyholme has affected area: <ul style="list-style-type: none"> - House prices and bad residents - Drugs being sold on the streets 	<p>We are glad that you agree with many of the aspects that Selective Licensing aims to deal with.</p> <p>Environmental crime, low house prices, poor property conditions and anti-social behaviour are all characteristics of low demand that the Council are able to combat under Selective Licensing. Pro-active inspections can be conducted to ensure that houses reach minimum requirements.</p> <p>House prices in all other previously designated areas have increased considerably.</p> <p>Issues with Houses in Multiple Occupation can be investigated by members within the Housing Department, please contact us to report any problems.</p>

26/9/2018	Homeowner Local business	I would welcome this scheme if it helps cut down on anti-social behaviour	The scheme helps to cut down on anti-social behaviour by ensuring that all tenants are reference checked and improved management standards ensure that landlords can deal with prospective problems. This has proved helpful in dealing effectively with anti-social behaviour in other areas that already have Selective Licensing.
18/9/2018	Housing Association Tenant	I have a landlord who stopped listening years ago. The only time they get in touch is when there is a shortfall in the rent. This scheme is long overdue.	With Selective Licensing we are able to deal with poor standards of property management. We are able to educate landlords of their responsibilities and provide support and advice for tenants, landlords and homeowners alike.
18/9/2018	Homeowner	I'm fed up with bad tenants in awful houses causing problems in the area. Something needs to be done so that the landlords take more responsibility. It's worse now that they employ agencies to look after the property while they sit (REDACTED) in posh houses miles from us counting their cash. They need to be reined in.	Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures that landlords have the necessary management in place to deal with breaches of tenancy such as causing ASB and environmental crime. Each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve, or may ultimately be unable to operate in the area. Selective Licensing helps to control problem tenants through a series of measures, including landlord training and tenant referencing. A free referencing service offered by the selective licensing team helps landlords to do this. The landlord is responsible for managing any issues relating to the tenant or their property and support is provided for them so they are aware of their rights and responsibilities. If the licence holder lives more than a 40 minute drive from Burnley, as part of their application

			process they are required to employ a locally accredited managing agent (such as a member of the Council's Good Landlord and Agent Scheme) or one who has been previously licenced and so already met the fit and proper requirements. This helps resolve issues that can be found with absentee landlords.
15/9/2018	Homeowner Lives in area	Whilst some landlords can be awful - so can some tenants. A reference system for would-be tenants wanting to move into the area ought to be implemented. Those with undesirable histories of anti-social behaviour should be prevented from moving in.	Under Selective Licensing all landlords must meet the fit and proper person criteria and present good management practices. This includes dealing with any issues that may arise through breaches of tenancy. These regulations are applied to all landlords to ensure that improvements are made collectively. Selective Licencing makes reference checks mandatory, and the team offer landlords a responsive service to help with this.
14/9/2018	Homeowner	The pavements are rubbish near Allan Close; supposed to be for old people but you struggle walking past.	Unfortunately we are unable to help with this as it's not an issue that relates to Selective Licensing. Any issues regarding highways, please report to https://www.lancashire.gov.uk/roads-parking-and-travel/fault-search/
14/9/2018	Homeowner	I think it is a good idea to regulate rented housing. I hope it will stop overcrowding and keep properties up to a good standard	Thank you for your comments regarding the proposal for Selective Licensing in Daneshouse and Stoneyholme. We are glad you agree with the proposal.
14/9/2018	Landlord	Selective licencing has improved the area. Yes we have to pay but it has proved to be worth it over time	Selective Licensing has proved to be successful in the other areas introduced in Burnley. The application fee that is associated with a Licence is used for the processing of each application and ensuring that all conditions are abided by.
12/9/2018	Tenant	Good luck with that! Landlords are known around here for trying to rent	Under Selective Licensing we require management standards to reach an appropriate level set by the

		<p>out sub-standard properties. Many of my landlord's properties need painting badly but it won't be done. I still have a back boiler! Which is expensive to run and no access to a shower and he refuses to put one in. Selective licensing will put the rent up, he is already increasing m 2 bed to £80 a week.</p>	<p>Council. If landlords do not reach these standards they are encouraged to improve or will ultimately face being unable to operate within these areas. The Council undertake proactive inspections in the selective licensing areas. Through these proactive inspections more properties are improved by ensuring the conditions meet minimum standards. Over the course of the designations properties have been referred to the Housing Enforcement team to ensure that the houses in disrepair are repaired and brought up to standard within the required timescales given. The team ensure that properties have adequate fire protection including smoke alarms and if properties have been identified as having no means of smoke detection action can be taken against the landlord. All properties must have valid gas certificates in place and Landlords must provide copies to the team. The team check to ensure that there are no gaps between gas safety checks and that Gas Certificates are produced within the required timescales given.</p> <p>There is no evidence of rent increases in other areas that have been subjected to Selective Licensing. The application fee has been structured in a way that aims to make it as affordable as possible for good landlords. There is an early application discount available, a discount for those that have been previously licenced and a 30% reduction for those accredited under the Good Landlord and Agent Scheme. This brings the total cost to as low as £369 and can be made payable by direct debit to ensure that it is affordable. We are hopeful that with these measures that the fees are not transferred over to</p>
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			tenants in the form of higher rents.
12/9/2018	Housing Association Tenant	I do think that this is a good idea as some properties in the area are in a bad state. However, I do think that the proposed price per property would put off some people as it is quite high. Most people living in this area are low income and I think landlords would pass on this charge to tenants via increasing rents.	<p>We are glad that you agree with the Council's proposals to introduce Selective Licensing to Daneshouse and Stoneyholme. The main objective of Selective Licensing is to raise the management standards for privately rented properties. It ensures that landlords are equipped to deal with tenancy breaches effectively, and that they meet the minimum requirements as 'fit and proper' persons. Those that do not operate using the correct practices will be supported and encouraged to improve, or ultimately face being unable to operate in the area. As a result, many of the characteristics of low demand are resolved.</p> <p>There is no evidence of rent increases in other areas that have been subjected to Selective Licensing. The application fee has been structured in a way that aims to make it as affordable as possible for good landlords. There is an early application discount available, a discount for those that have been previously licenced and a 30% reduction for those accredited under the Good Landlord and Agent Scheme. This brings the total cost to as low as £369 and can be made payable by direct debit to ensure that it is affordable. We are hopeful that with these measures that the fees are not transferred over to tenants in the form of higher rents.</p>
12/9/2018	Homeowner	As well as poor landlords and tenants, the area suffers badly with residents throwing their rubbish in the back streets with impunity, drug dealers plying their trade openly and a lot of anti-social driving (speeding + bad parking). I feel if these issues were addressed the area would be greatly	We appreciate that Selective Licensing is not the sole answer to improving all issues faced by the area. The Council is dependent on a multi-agency approach in order to tackle the number of social and economic issues that Burnley faces. Selective Licensing works alongside a number of departments. We can assist

		improved.	with anti-social behaviour and crime rates through ensuring that all tenants are reference checked and monitored, and that landlords have adequate management in place to deal with these issues. Close contact with, and monitoring of landlords helps ensure they take appropriate action and comply with their rights and responsibilities against any tenants that are contributing negatively to the area.
12/9/2018	Homeowner	I agree with all the points you raise in selective licensing. 1. Reduce dirty back yards/fly tipping. 2. Make empty homes liveable again. 3. Improve property condition 4. Back lanes regularly cleared. 5. Improve landlords care and attention to electrics, gas, and windows. Communication with tenants and council requirements to tenant safety. Tenants should obey tenancy rules - no loud music, respect neighbours' yard, and no tipping.	Thank you for your comments; we are glad you agree with the proposals for Daneshouse and Stoneyholme.
12/9/2018	Homeowner	I think it is an excellent idea to monitor landlords. It is very obvious who looks after the tenants and those who take advantage and do not look after their properties or tenants. The tenants are in a very vulnerable position.	Thank you for your comments in relation to Selective Licensing in the Daneshouse and Stoneyholme area.
12/9/2018	Homeowner	It is a tip	If Selective Licensing is introduced in the area we aim to improve the characteristics of low demand and poor property conditions that Daneshouse and Stoneyholme has experienced through improving management practices.
12/9/2018	Homeowner	There are too many bad landlords and a lot more very bad tenants in all areas. They should all pay a lot more (landlords) and the tenants need to pay a lot more in fines and damages while living in the	Prior to granting a licence, the Selective Licensing team must be confident that the landlord has adequate management practices in place and meets the 'Fit and proper person' criteria. They must have

		properties or especially when leaving or changing the dwellings. They should pay a lot more.	the capacity to deal with any breaches of tenancy, such as environmental crime and anti-social behaviour. With Selective Licensing, if conditions of the licence are breached then action will be taken against any landlord or managing agent responsible for the property. This can either be in the form of a Civil Penalty (of up to £30,000) or a Prosecution (unlimited).
12/9/2018	Homeowner	I live at (REDACTED), where there is a lot of drug dealing going on nearby, not fair late at night plus day time cars pulling up. Doors slamming wake me at night plus Lee Street back street is a mess. Hebrew Road where they cut trees down it's over grown again. Drug dealing there, fly tipping too, black bags just thrown out, rats on the back street, I've seen them. Left-over food thrown out, not right.	Selective Licensing would assist with the improvements that you suggest are needed in this area. Adequate management practices that deal with tenancy breaches and tenant referencing would ensure that appropriate checks are made on tenants prior to them moving in. This would help to reduce incidences of crime, anti-social behaviour and environmental crime. Landlords must act appropriately with regard to their rights and responsibilities to ensure that problematic behaviour from tenants is stopped, and Selective Licensing provides the appropriate training, support and advice to help deliver this.
12/9/2018	Homeowner	I strongly believe selective licensing should be introduced in this area; I have had lots of problems with my next-door neighbours as the landlord doesn't keep the house in good condition. I have been to the council several times to complain about the condition of the house. Also I haven't had any "good people" living next door which has caused a lot of problems for me. I have been living in this area for 16 years; it would be great to see some changes made to this area.	Selective Licensing aims to ensure that landlords respond appropriately to any problems reported to them regarding their property and their tenants. They must ensure that they have adequate management practices to deal with tenancy breaches and must also meet the fit and proper person criteria. Under the scheme they must reference check all applicants to ensure that they are suited to living in this area, and the Council offer a service to support this. The landlord must also ensure that the property is up to a suitable standard; houses are subject to proactive inspections and landlords are

			obliged to conduct essential repair works where required.
10/9/2018	Landlord	It is a brilliant idea, I like the idea	Thank you for your comments regarding Selective Licensing in the Daneshouse and Stoneyholme area.
8/9/2018	Homeowner	<p>I have to be frank and honest I moved to Burnley from Rossendale as I couldn't afford the house I wanted in the Rossendale area. I love the house but when asked whereabouts in Burnley I live I am embarrassed to tell people. I cannot believe how run down this area is; since moving here 6 months ago I have complained to the council numerous times about litter and fly tipping. I feel this initiative may help but I do not believe it will do what the council hopes as I do not feel there will be enough appetite or buy in from the residents. I bought a Gleeson home and I am aware that other families on my estate are potentially only looking to stay here short term because of the problems. My husband and I are both professional people as are some of the other homeowners on the estate, and if this is the sort of resident you want to attract, I feel you will have your work cut out to change the mind-sets of the majority of the residents residing here. If I can see an improvement in the area over the coming couple of years I may be more inclined to stay as it is well placed with a nice town centre and being in the age range of 45+ we are now thinking about the future and where we want to be in our twilight years.</p>	<p>Selective Licensing is a long-term strategy that aims to improve the areas property conditions and issues with low demand by addressing management practices in the private rented sector.</p> <p>It has proven to be successful in its initial implementation across other areas. Trinity, where the scheme has been relevant for nearly 10 years has seen a number of positive impacts. House prices here have increased by approximately £7000 since the start of its second designation and environmental crime and anti-social behaviour reports have decreased.</p> <p>We are confident that if Selective Licensing in Daneshouse and Stoneyholme is approved then similar benefits will follow.</p>
3/9/2018	Homeowner	In my area there is a lot of anti-social behaviour which comes from landlords who keep bad tenants in houses. The houses need to be fixed properly, so it is fit for purpose to live in. The tenants throw a	With Selective Licensing we aim to ensure that properties are managed to a good standard, with reputable tenants that have undergone sufficient reference checks prior to moving into a property.

		<p>lot of rubbish in the back streets every week, back-streets are filthy and depressing.</p> <p>I have had my car vandalised twice, so I had to install CCTV cameras outside my own property. No wonder there's a lot of empty properties in Burnley; it's a magnet for bad tenants who are troublemakers. These bad tenants want cheap properties from landlords, who supply run-down houses. Some landlords are irresponsible people, who put money before tenants' welfare. There should be a survey for tenants who live in Burnley, they will definitely tell you how they feel, and it doesn't paint a good picture of Burnley at all.</p>	<p>Landlords must meet the fit and proper person criteria and ensure that their management is adequate. They must have the capacity to deal with any tenancy breaches. This would assist with anti-social behaviour and environmental crime.</p> <p>Landlords would also be held responsible for adhering to the conditions of their licences, covering a wide range of issues. Advice surrounding this is provided by the Selective Licensing team, through landlord development days and anti-social behaviour training.</p>
3/9/2018	Homeowner	Whatever is best for community	Thank you for your comments.

Appendix 9

Residential Landlord Association transcript

Burnley Council
Town Hall
Manchester Road
Burnley
BB11 1JA

Date
26.11.2018

Dear Sir or Madam,

By email

Selective Licensing consultation

Thank you for the opportunity to respond to the above consultation.

We have read through your consultation documents, and though we appreciate the issues that the Council have mentioned and the effect they can have on tenants, landlords and the housing market, the RLA is opposed to the scheme and has many general objections to Licensing overall.

To identify a particular area for the introduction of licensing highlights a belief that the area has numerous issues, potentially blighting its reputation. There is also a danger that the issues that the scheme seeks to address are simply moved elsewhere, as difficult or vulnerable tenants are moved on.

Fees

Licensing schemes do little but alienate lawful landlords by burdening them with additional costs, while criminal operators continue to ignore regulations and avoid these additional costs.

Good landlords will apply for licences and, likely, pass the cost on to tenants in the form of increased rents, doing nothing to address affordability, while the worst landlords – the criminal operators – will simply ignore the scheme, as they do many other regulations. The proposed standard licensing fee, even with discounts, is an unnecessary financial burden to put on landlords. To avoid financial difficulties for those landlords, the council, if it continues the scheme, should increase the level of discount available to reputable landlords as the current level of discount is not high enough.

Pressure on non-selective licence areas

Landlords, especially those with other properties outside the licence area will become risk-averse in terms of the tenants they let to. Tenant problems such as anti-social behaviour are impossible for the landlord to address alone and landlords will not wish to risk a breach of licensing conditions that may affect their ability to let properties elsewhere. Some may seek to evict already challenging tenants. This could mean additional costs to other council services, as they pick up the pieces created by the disruption to the lives of already vulnerable tenants.

Impact of Taxation Reform

According to our research lab PEARL, the impact of the government's changes to taxation for private landlords has been noticeable, with 70% of landlords reporting that the changes to mortgage interest relief would reduce their profitability as a business, with 62% of landlords reporting this would reduce their profitability by at least 20%. To mitigate the negative impact of these changes, the majority of landlords (67%) reported they would increase the rents. 43% of landlords reported they had increased rents in the past 12 months, with 31% of these landlords reporting this was due to the changes in Mortgage Interest Relief.

However, 50% of landlords planned on increasing rents in the next 12 months, with 77% of landlords reporting this was due to the tax changes.

These findings show that landlords are planning to take action to mitigate any negative impact of these changes, with either higher rents or reduced portfolio sizes. These consequences do not help tenants, rather it is likely tenants will come under greater financial strain as a result. The additional fees for a Selective Licence will potentially put landlords into further financial difficulty, which could lead to them exiting the sector altogether.

Impact of Welfare Reform

In March 2018, live service of UC was rolled into the Barking & Dagenham borough.

According to research done by PEARL, 61% of landlords that let to tenants on Universal Credit have experienced their UC tenants going into rent arrears in the past 12 months. This is over double from 27% of landlords in 2016, and a significant increase from the previous year where it was 38% of landlords. PEARL also found out that the amount owed by Universal Credit tenants in rent arrears has increased by 49% in comparison to the previous 12 months. This has increased from £1,600.88 in 2017 to £2,390.19. Rent arrears for Universal Credit tenants are likely to be driving homelessness, with 28% of landlords regaining possession of their property from a UC tenant and the primary reason being rent arrears (77% of landlords).

The significant increase in rent arrears for both 'UC' tenants and 'legacy' Housing Benefit tenants also points to much wider issues than just the implementation of Universal Credit. The findings suggest that the freeze to LHA rates since 2016 and that LHA rates had not increased with market rents between 2010 and 2016 is likely to be driving the increase in rent arrears for tenants that claim benefits.

Condition of 40-minute driving distance

The condition that the manager must be within 40 minutes of the licenced property, is an arbitrary distance, excessive and such matters should be dealt with after the licence has been granted. Many landlords can run their businesses without being a 40-minute drive away from the property in question and such a condition serves as a barrier to good landlords, therefore the council should remove this condition.

Existing Enforcement Powers

There are over 140 Acts of Parliament and more than 400 regulations affecting landlords in the private rented sector.

Councils should fully use the enforcement powers already granted to them by the Housing and Planning Act 2016, ranging from civil penalties, rent repayment orders, banning orders and the introduction of a database for rogue landlords and letting agents, rather than rely on Licensing Schemes to regulate landlords in addition to these powers. The Council has also

not taken into consideration the amount of informal enforcement activity undertaken between local authorities and private landlords.

Additionally, Burnley Council has access to the Controlling Migration Fund, which allows local authorities to tackle local service pressures associated with any recently increased migration, which includes tackling rogue landlords and driving up standards.

The Tenant Fees Bill will also introduce a lead enforcement authority to provide guidance and support to local authorities regarding the enforcement of letting agent requirements.

Government review on Selective Licensing

On 20th June, the government formally announced that they will be carrying out a review of Selective Licensing to assess its use and effectiveness by a independent commissioner to gather evidence on the effectiveness of the scheme. The results of this review will be published next Spring. Taking this into consideration, the council should await the outcome of this review.

Government review of HHSRS

On 26th October, MHCLG formally announced that is it to review the HHSRS, which will consider whether it should be updated. Ministers have also outlined further details of the review into carbon monoxide alarm requirements in the home, to help ensure people remain safe carbon monoxide poisoning. The review will also look at whether to introduce minimum standards for common health and safety problems in rental accommodation in order to keep renters safe. The council should await the outcome of this review and any additional legislative powers that may follow from parliament on completion of the review in early 2019.

Conclusion

There are alternatives to licensing. The RLA supports a system of self-regulation for landlords whereby compliant landlords join a co-regulation scheme which deals with standards and complaints in the first instance, while those outside the scheme remain under the scope of local authority enforcement. More information can be supplied if required. We also support the use of the council tax registration process to identify private rented properties and landlords. Unlike licensing, this does not require self-identification by landlords, making it harder for so-called rogues to operate under the radar.

Ti provides local authorities with a new tool to help differentiate between properties which are privately rented, HMO and those that are owner occupied or socially rented. Ti can also be used to pinpoint properties that are likely to have serious hazards. The technology can be used to assist with policy makers and managers to understand the 'make up' and changes in housing stock across a borough and how it relates to other policy areas, such as anti-social behaviour, and provides a vital insight into landlord behaviour and helps prevents crime and fraud, such as council tax evasion. It is developed in partnership with council teams to ensure the maximum benefits of Ti are delivered, and to ensure compliance with GDPR, no sensitive data is taken away and all analysis can be completed within the council's digital environment.

Such a scheme can be used as an alternative for Selective Licensing for Burnley council, as it could be used as more of an effective tool to identify and target properties in bad conditions and act against criminal landlords.

Further information can be found at this link: <https://metastreet.co.uk/blog/tenure-intelligence-to-predict-tenure-and-housing-issues.html>

Should licensing be approved by the council, the option of co-regulation with the RLA could be considered. Liverpool City Council introduced city wide licensing in 2015; as part of this

the RLA were allowed to introduce a co-regulation scheme for landlords in the city. Co-regulation involves a full written code of conduct, which details the procedures and processes in place to deal with contractual and other matters as part of the overall scheme. The benefits of co-regulation for a local authority is targeted enforcement making the best use of more limited resources, reduced workload due to reduced number of complaints being managed by the authorities, easier identification of bad/criminal landlords, control over the scheme requirements to suit local needs and stronger links with the landlord community.

Response from the Council

Dear xxxxxx (Details Re-dacted)

Thank you for taking the time to meet with Lauren and I and your subsequent email of the 26th November 2018.

I am disappointed that your letter does not truly reflect our discussions of the 6th November 2018. The points that you raise are generally sweeping statements or relate to national policy rather than the actual issues affecting Burnley. Nor do you mention any of the positive initiatives operating in Burnley such as the empty homes loans, the accreditation scheme or the training days for landlords which you agreed were extremely useful initiatives that the RLA do in fact support. Not least the fact that your organisation is currently the successful supplier delivering the landlord training days which have been extremely well received by Burnley landlords.

The areas where selective licensing are being proposed in Burnley are already known for being in low demand and having numerous problems. It is not the potential selective licensing schemes that are “blighting” the reputation of these areas but the empty properties, the poor property conditions, the poor management of the private rented sector, the anti-social behavior and crime. There is no evidence to suggest that landlords are not investing in selective licensing areas in Burnley, in fact the evidence shows otherwise. The number of empty homes loans and sales to landlords in these areas continue as professional and responsible landlords see the financial return of investing in Burnley while at the same time welcome licensing as one way of helping to improve these areas. Selective Licensing ensures that when landlords do buy in these areas they are supported and in some cases compelled to work to the required standards.

Fees

The fee levels set in Burnley with the discount for accredited landlords do not deter professional landlords from investing. Mind sets are starting to change, landlords see the licensing fees as part of the cost of being a landlord and build these costs into their business plan. The costs are not passed to tenants in Burnley. There is no evidence that selective licensing fees are passed onto tenants in the Burnley selective licensing areas. The majority of rents within the Burnley selective licensing areas are paid through local housing allowance or universal credit. There are very few landlords that charge a top up as it is not cost effective to collect. Operating selective licensing has not changed this.

There will always be a minority of landlords that avoid selective licensing as they try to avoid any other piece of legislation. This does not mean that they go under the radar, on the contrary. Burnley use this as an opportunity and have a proven track record of taking successfully prosecutions and now implementing civil penalty notices to either compel these landlord to apply or to stop them operating. The fines are far higher than the selective licensing fee. In addition Burnley

has issued several Rent Repayment Orders as a further deterrent for not complying with selective licensing.

Pressure on non-selective licensing area

Your statement has formed a supposition on the basis of incomplete information. In reality in Burnley through selective licensing and the Housing Advice team, landlords and tenants are supported to sustain tenancies and prevent homelessness. There are inevitably situations where tenants refuse to change their behavior and as a last resort landlords will be faced with implementing the eviction process, this is not however normal practice and where we can the team will support landlords with the problems associated with anti-social behavior. A training course is implemented for landlords, specifically in relation to anti-social behavior.

Impact of Taxation Reform

Through anecdotal evidence some landlords who have been operating a number of years have expressed concerns about the tax reforms and the potential of selling some or all of their portfolio. To help landlords understand these reforms, the Council worked with the private rented sector forum to arrange for an accountant to attend the landlord evening and explain the implications of these reforms. The evening was well received by landlords. While some landlords may have left the sector, evidence through the empty homes loans, landlord evening consultation and house sales show that current and new landlords continue to invest in the selective licensing areas.

Impact of Welfare Reform

While we understand the impact that the welfare reform has had on both landlords and tenants, this is not a reason to withhold selective licensing or other action against poor landlords and substandard housing conditions. The private rented sector forum has engaged with the Department of Work and Pensions (DWP), an Officer from the DWP now sits on the forum. We have run landlord evenings with the DWP and workshops so that landlords understand the online journals and direct payment process.

Condition of 40 minute driving distance

The 40 minute driving distance is not contained within the licensing conditions. It is a guide within the Council's Fit and Proper Person Criteria. The Council have found that if the landlord/manager of the property(s) is unable to visit Burnley regularly or have a relatively local contact the management is not as effective, regular checks aren't carried out at the property, repairs are not dealt within a reasonable time nor are breaches of the tenancy agreement addressed.

Existing Enforcement Powers

The Council are aware of the numerous powers available to them and are already implementing management orders, civil penalty notices and rent repayment orders. The council's civil penalty notice policy has recently been tested through the First Tier Tribunal. The banning orders and rogue landlord database is relatively new but something that the Council are currently implementing. The Council have also considered informal action through landlord accreditation in the option appraisal to selective licensing.

Selective licensing is the only piece of legislation that looks at property management and is required to work with accreditation, housing standards, empty homes and other initiatives to jointly work towards improving the management, condition and reputation of the private rented sector. The Council have been successful in the recent round of the Government Rogue landlord funding which will be used to support the work of selective licensing through a programme of proactive inspections and intelligence gathering.

Government Review of Selective Licensing and the HHSRS

The Council cannot put on hold policies and procedures pending Government reviews when selective licensing has been assessed locally as helping to improve the private rented sector. There is no guarantee that the review will complete in the Spring of 2019. The Council will of course be mindful of the results of the reviews when they are published.

Conclusion

The Council do run a landlord and managing agent accreditation scheme whereby more support and informal work to improve management and conditions is adopted. This does not compel landlords to engage with the local authority. Selective licensing does, subsequently the council can work with more landlords to improve the private rented sector with enforcement action being used for those landlords who do not comply with licensing.

Thanks

Appendix 10 a

Landlord Evening 2/10/18

32 attendees.

Are there issues in the private rented sector in Burnley?

a. Property Condition

- Landlords not enough money to spend
- Some landlords not bothered what tenants house standards are
- Tenants just accept condition
- Empty
- Broken Windows
- Tenants must take responsibility for condition e.g. removing smoke detection, handrails etc. – Use procedures like DBYs, notice after warning
- Dealing with disrepair
- Condensation – discussed HHSRS, giving tenants fact sheet about causes of condensation, fans in bedrooms, and having own damp meter so can show tenants moisture is caused by lifestyle not damp.
- If don't understand HHSRS you get help with it.

Issues with property conditions in Selective Licensing areas can be addressed as a result of the ability to conduct proactive inspections. All properties must meet the required HHSRS standard. There is help available to ensure that the HHSRS system that is used is understood. Over the course of the designation, properties have been referred to the Housing Enforcement team to ensure that the Houses in disrepair are repaired and brought up to standard within the required timescales given. The Selective Licensing team ensure that properties have adequate fire protection including smoke alarms and if properties have been identified as having no means of smoke detection, action can be taken against the landlord. All properties must have valid gas certificates in place and Landlords must provide copies to the team. The team check to ensure that there are no gaps between gas safety checks and that Gas Certificates are produced within the required timescales given.

It is the landlord's responsibility to ensure that these standards are met. We recommend performing a thorough inspection of the property before the tenant moves in, and that an accurate inventory is produced detailing the condition and contents of the property. Tenants should be asked to sign all pages of the inventory if they agree with what is listed, or make amendments if they do not agree. This way, any essential items i.e. smoke alarms that have been removed by tenants, will be documented and the landlord would not be liable. Landlords must carry out regular property inspections. Under Selective Licensing it is required that inspections are conducted quarterly to ensure that they remain up to an appropriate standard under a tenancy.

The 'fit and proper' person criteria, that all licence holders are required to meet, states that all licence holders must have suitable funding arrangements in place to effectively deal with repairs etc. when they arise. This is also asked within the Selective Licence application; potential licence holders must show that they have suitable financial management procedures in place to ensure contingency

funds are available for any repair or emergency remedial works needed. This can be further investigated with credit checks and bank statements if required.

To help landlords, the Council has produced a leaflet on condensation and a checklist in the accreditation code of practice for condition.

The Selective Licensing team works closely with the Empty Homes team. They operate in Selective Licensing areas and offer a number of initiatives that help to reduce the number of empty properties within these areas. This includes interest free empty homes loans of up to £20,000 that are available for accredited landlords. The properties must have been vacant for at least 6 months and is repayable over 10 years. This empty homes scheme also pays the Selective Licensing application fee for loan applicants for properties that have been empty for more than 12 months and require remedial work as identified by the Council. When a property has been vacant for more than 12 months, accredited landlords are able to apply for a Council Tax rebate (of 6 months) when they bring a property back into use. The team is also able to purchase a number of properties per year for renovation and re-sale. They work to overturn this characteristic of low demand.

b. Property Management

- Lack of referencing
- Landlords NOT giving truthful reference- those who don't operate properly
- Language Barrier
- Rogue Managing Agents setting up who undercut good Managers- Are the Council doing enough to tackle this?
- Landlords should manage their agents, and ensure entering agreements on the right terms
- Managing tenancies
- Poor Managing Agents with poor practices
- Absent landlords not doing regular checks. Wider cuts to other services, such as the police management.
- Concern about harassment of tenants if visiting too much.
- Accidental landlords not educated in dealing with property
- Educating landlords

The main objective of Selective Licensing is to raise management standards for privately rented properties. It ensures that landlords are able to deal with tenancy breaches, such as causing ASB and environmental crime. Each landlord must meet the standards required by the fit and proper person criteria. Those that do not operate the correct practices will be encouraged and supported to improve, or ultimately face being unable to operate in a Selective Licensing area.

It is a requirement of all granted licences that landlords must conduct thorough reference checks on their prospective tenants before placing them in a property. Failure to reference tenants and provide evidence of their methods will result in action being taken for breaches in licensing conditions. The Selective Licensing team also offers reference checks for landlords free of charge. These checks highlight any anti-social behaviour that may have occurred under previous tenancies. The checks however, do not highlight how the tenant has conducted their tenancy and any rent arrears. Landlords should therefore always carry out their own reference checks and contact one another to

establish how tenants acted in their previous tenancy, to avoid issues of damage and arrears occurring.

If the required 'fit and proper' person criteria are not met, licences may be refused or revoked, and licence holders in breach of their conditions may also be issued with a Civil Penalty or a Prosecution. The maximum fine for a Civil Penalty is £30,000 whereas for a Prosecution it is unlimited.

It is recommended that properties are inspected quarterly. These regular checks ensure that the property maintains the required standard, and that tenants are adhering to the conditions outlined in their tenancy agreement. Any additional visits, other than to facilitate repairs, would impact on the tenant's right to quiet enjoyment.

The '40 minute' rule was introduced as a response to absentee landlords. All landlords are required to be within a 40 minute drive of Burnley to ensure that any urgent and emergency repairs receive an immediate response. The Selective Licensing team do offer some discretion to judge each case on its own merits, i.e. if the landlord is able to demonstrate they have effective management practices in place and qualified local emergency contacts to respond on their behalf, this will be considered. If this standard is not achieved, the licence holder must then ensure that they have an accredited Managing Agent to deal with the property.

Landlords are required to attend a Landlord Development Day provided by the Residential Landlords Association (RLA). The Council offers this as a free service to landlords; it provides all essential information regarding landlords' rights and responsibilities, and the skillset needed to improve management standards and deal with issues that may arise within a tenancy. Where the landlord's circumstances prevent them attending a day's training, they also have the option to sit the online equivalent course. The only exception to attendance at a development day is for landlords who have a Managing Agent that has already attended.

c. Reputation

- Reputation difficult to improve, will take time
- Good communication with landlords/agents and Council important for good relationships/working
- Low value properties
- Reputation as a no go area, deprived, lots of investors from London can pick up property for £14k.
- Also the opinion that Accrington is in decline whilst Burnley is improving.

We are confident that under Selective Licensing we will be able to improve both the property conditions and the reputation of private rented sector landlords for these areas. The areas have been identified as low demand; by improving management standards these characteristics may be overturned. House prices have already started to increase noticeably and consistently under their initial designation. There have been considerable improvements within Selective Licensing areas and with a further 5 year designation for Trinity, Queensgate and Gannow and the introduction of selective licensing for Daneshouse and Stoneyholme, these improvements will continue to develop.

It is acknowledged that Selective Licensing is a long-term strategy and that immediate improvement for these areas is unlikely. We want to work with landlords and agents to raise their standards and

improve the reputation of the private rented sector in Burnley. Selective Licensing legislation allows us to tackle the landlords that do not operate to an appropriate standard.

Selective Licensing has already seen a number of improvements in terms of house prices in the areas that have been previously subjected to the scheme. It aims to bring the average house price in these areas to a comparable rate with the rest of the ward and borough. The Trinity area for example has seen an increase of approximately £7000 since 2013.

Aforementioned, the '40 minute' rule stands regarding out-of-town investors. This deters from having irresponsible and absentee landlords operating within the area and requires that those outside an appropriate distance from Burnley require an accredited Managing Agent.

d. Other

- Penalises good landlords
- Movement of tenants
- ASB- changes round Herbert Street, Queensgate- Positive. Back Yards always an issue but have reduced
- Universal Credit changes
- Absent landlords
- What happens to the ASB cases, are they moving to a new area? What are the stats for where they move to?

Selective Licensing does not aim to penalise good landlords but rather to raise management standards collectively, in order to address issues of low demand within areas that have a high proportion of private-rented properties. To do so, we have to target areas instead of individuals. We offer a number of discounts for the application fee which support landlords with good management practices, including an early application discount, a 30% discount for those accredited under the Council's own Good Landlord and Agent Scheme and an additional discount for those that have been previously licenced in Burnley. The legislation does not give us the ability to distinguish between types of landlords, but is an area based scheme requiring all landlords operating within a designated area to be licenced.

The movement of tenants will be monitored, particularly if they are known for anti-social behaviour. If necessary, this information will be passed on to other agencies working with us to tackle antisocial behaviour, and we will also use other powers that we have. We will also monitor the number of illegal eviction; this helps to tackle homelessness issues as the Selective Licensing team works closely with Housing Needs.

The introduction of the '40 minute' rule has limited the number of absentee landlords that operate within the area. It requires those living outside of an appropriate distance from the town to use an accredited Managing Agent to deal with their property.

In Queensgate, the numbers of environmental crime incidents has decreased by nearly 30% since 2014. The number of anti-social behaviour reports to the police has also decreased significantly by 43% since 2013.

Changes from Housing Benefit to Universal Credit have been a challenge and have resulted in delays to landlords receiving rent. We are hopeful that when the system is fully rolled out that it will be an efficient and effective service. Housing have established links with the Department of Work and Pensions, who are now a member of the private rented sector forum, who have attended landlord evenings and run workshops for accredited landlords.

Is Selective Licensing helping with these issues?

Yes:

- Policing Legislation
- CPO
- Empty homes
- Enforced sales
- Monitoring area
- Improving issues with Tenant vetting/References
- Investment
- ASB. Improved with communication with Council and Partnership working
- Empty properties slowly improving
- Painting schemes/ face-lifting
- See improvements in Queensgate
- Brennand Street- decrease in empty properties/ converted properties
- Back street audits
- Decrease in number of boarded properties
- Most of table agreed that tenants and landlords are clearer on what is expected of them.
- Gives leverage to use with the tenant, if don't behave council will be on back of tenant and landlord. Deterrent for tenants. Worth the £35 per month.
- Think it's a great scheme, keeps tenants on their toes. Can't see how I would run my business without it. If I have a problem, straight on the phone and Selective Licensing help me to deal with it.

We are glad that you agree Selective Licensing is helping with a number of issues in these areas. Selective licensing focuses on the management of private rented properties in areas of low demand and consequently deals with high levels of antisocial behaviour. The key aim is to improve landlords' management of properties and in doing so, help regenerate the area. We work with landlords to support and encourage them to meet these minimum standards. Training days are provided to ensure landlords are aware of their responsibilities, and the supporting packs will give them information to refer to in the future.

The Selective Licensing team officers have a presence in their communities; they have insider knowledge and have built a rapport with landlords, tenants and homeowners alike. Area officers are able to monitor Selective Licensing areas and are available for any advice or support that is required. There are drop in sessions for residents to report any concerns, and these are attended by Council and Police officers to address and respond to any issues. The Council officer would relay any information to the relevant landlords for them to ensure that the tenancy is being properly

managed. There is also a regular meeting that is attended by a Council officer, police officers, housing-association officers and any other relevant agencies. Here any possible concerns and relevant reported incidents are shared and discussed in order to formulate a plan of action. The Selective Licensing team's close partnership with other agencies is vital for improvements that are seen within these areas.

There has been a consistent reduction in the number of empty homes across all Selective Licensing areas. The Empty Homes team work closely with the Selective Licensing team to combat this issue. The team deliver a number of initiatives to reduce the number of empty properties with the designated areas. This includes the opportunity to apply for interest-free empty homes loans of up to £20,000. The team are also able to purchase a number of properties for renovation and resale.

Queensgate has been targeted by the Empty Homes team for a renovation project. Brennand Street together with Heap Street, have been the subject of two painting programmes in order to improve the aesthetic appearance of a number of properties.

Anti-Social Behaviour in Queensgate has decreased significantly since before Selective Licensing was introduced. The number of Anti-Social Behaviour incidences that have been reported to the police has reduced by 43% between 2013 and 2017. Similar patterns can be seen in other areas that have been subject to Selective Licensing. We work with partner agencies, such as the Council's antisocial behaviour team, the Police, Floating Support and the Targeted family services to ensure landlords, agents and tenants have access to support to enable them to be successful in their tenancies and to deal with any problems that may arise.

Selective Licensing requires all landlords to reference their prospective tenants before placing them in a property. Methods of doing this must be recorded and evidenced to show to Council Officers if requested. Failure to do so would result in action being taken against landlords, as this is a breach of licence conditions. The Selective Licensing team also offer a free tenant referencing service, using Council systems and officer knowledge regarding tenants to ensure that they are suited to a property, and that the landlords have adequate arrangements in place to deal with any issues that may arise within a tenancy. Landlords are also encouraged to communicate with each other in order to provide a detailed perspective on tenants' previous behaviour. All tenancy agreements must include a clause that addresses anti-social behaviour, so that any tenant not abiding by this would be in breach of their tenancy agreement. The landlord would then manage this in an appropriate and lawful way.

With the improving picture in Selective Licensing area, it is evident that these areas are attracting investment. House prices in all areas have increased throughout Selective Licensing. Trinity, where Selective Licensing has been operating for approximately 10 years, has seen the largest increase in house prices. Since the start of its second designation in 2013, prices have risen by £7000 and the number of successful sales per year has risen from 58 to 79. Similar trends can be seen in all other areas. Selective Licensing areas still have a considerably high proportion of private-rented properties of between 43 and 49%, showing that there is still investment and a demand for this type of property in the areas.

No:

- Council Tax exemption- only 2 months in 2 years
- Doesn't encourage Landlords to regularly invest in properties
- One attendee: No. Felt it was not working in Padiham and that the area was better before licensing. In Queensgate there is still ASB etc. (CJ responded with figures). Other landlords agreed there had been an improvement.

Anti-Social Behaviour in Queensgate has decreased significantly since before Selective Licensing was introduced. The number of Anti-Social Behaviour incidents that have been reported to the police have reduced by 43% between 2013 and 2017. Similar patterns can be seen in other areas that have been subject to Selective Licensing. We work with partner agencies, such as the Council's antisocial behaviour team, the Police, Floating Support and the Targeted family services to ensure landlords, agents and tenants have access to support and enable them to be successful in the tenancies and deal with any problems that may arise.

There is an increasing demand to buy in Selective Licensing areas, as house prices have consistently increased in every area subjected to the scheme, and the number of house sold per year has also steadily increased. The proportion of privately rented properties in these areas remains high, between 43 and 49%. This shows that there is still investment being made to the properties, and that the private-rented sector is still tenure of choice within Selective Licensing areas.

What are the positive aspects of selective licensing?

- Found Development Day useful
- Comply to legislation
- Improve housing stock
- Support network
- Policing
- Reference checks
- Landlords forum
- Information sharing
- Higher standard of accommodation and tenants
- No increases in rent
- Slight capital growth
- Greater community spirit
- Better Landlords
- Safer homes
- More informed landlords
- Better tenants
- Tenant retention
- Happier tenants
- Access to other landlords- networking
- "If I have a problem, I phone the team and they are supportive".
- Should operate wider not just in small areas, target those that still operate outside licensing and include Calico (Registered Provider).

- In 2 years been operating seen a big difference on Cog Lane.
- Empty Homes Loans are a positive

We are glad that under Selective Licensing, you as landlords have found the scheme useful.

The Landlord Development Day provides a structured walk through legislation of the landlords' rights and responsibilities, giving updated information on legislation etc. to assist with management standards and dealing with tenancies. It educates landlords on how to comply with the legislative framework.

The Development Day and landlord forum also provide excellent opportunities to network with other landlords. This makes the renting process easier in terms of support and advice and also when conducting tenant reference checks. We recommend that with these reference checks that the tenant's previous landlords are contacted to see how they have behaved under other tenancies. Reference checks are a condition of Selective Licensing and if landlords are found not to be complying, then action may be taken against them. The Council offer a service to assist with this by drawing on officers' extensive knowledge of both their area and Council systems to help judge if prospective tenants would be appropriate for certain properties, and to ensure that strong management techniques are in place to deal with any issues that may arise.

We have not found that rents have increased. We have aimed to structure the application fee so that it as affordable as possible. After the three possible discounts have been applied, the application fee can be as low as £369. This is comparatively one of the lowest Selective Licensing application fees country-wide for those operating the scheme. Taking feedback from Landlords, we also now offer the option to pay by Direct Debit, to make the Selective Licensing application fee as manageable as possible. We are hopeful that these discounts and payment methods will help ensure that fee costs are not passed on to tenants in the form of higher rents.

The Selective Licensing team aim to be as supportive and helpful as possible. We are able to offer advice for both landlords and tenants regarding any issues they may have. We work closely with other departments such as Streetscene, and have good working partnerships with external agencies, such as the Police, to help to combat any issues of either anti-social behaviour or environmental crime. By utilising these strong partnerships and working together, we are able to address and monitor issues within the community.

By improving management standards and property conditions, landlords are more likely to experience tenant retention. An improvement in these can result in much happier and compliant tenants, which in turn has an impact on the wider community.

Calico and other Registered Social Landlords are specifically exempted from Selective Licensing legislation, but abide by their own strict rules and regulations. Selective Licensing addresses only the Private Rented Sector of housing. The nature of Selective Licensing ensures that it is just that, selective. It targets areas that have a high proportion of private rented properties that suffer from low demand and poor property conditions. We do agree that the high standards for property management required under Selective Licensing should be a necessity for all landlords. All landlords are able to voluntarily apply for the Council's own accreditation programme, the Good Landlord and

Agent Scheme. This offers a number of benefits and also ensures that appropriate management and property standards are maintained.

Empty homes are targeted as they attract anti-social behaviour and environmental crime, and also have a negative aesthetic impact for the area. There is assistance available including interest free empty homes loans of up to £20,000. The property must have been empty for at least 6 months to be eligible for this option and the loan is repayable over 10 years. The Empty Homes team also offer other initiatives to combat this issue.

Selective Licensing has already contributed to a positive change in all designated areas, tackling issues of low demand. House prices have increased in Trinity by over £7000 since the second designation in 2014. Similarly house prices in Queensgate have increased by over £5000 and nearly £4000 in Gannow in this time frame. We appreciate that there are still improvements to be made, however by raising management standards in private rented properties a considerable development has been made.

What are the negative aspects of selective licensing?

- (Landlords get) nothing for their money
- Not fair for landlord to pay licensing fee
- Most onerous process- GLAS
- Free for good landlord
- Fee- Pay less for going with accredited agent?
- Timescales on applications to be processed
- Stigma attached; that it must be a bad area if it needs Selective Licensing.
- Fee
- Level of fee
- Pro rata of fees when sold
- Fee decrease for properties managed by an accredited agent- what's the benefit of my Managing Agent being accredited?
- Council Tax empty homes- unfair surcharges
- Barriers to investment
- Fee should be on a sliding scale towards end of designation.

No other negatives.

The application fee is required to process, implement and monitor the scheme. The Licence is valid for the full 5 year designation period and expires when the designation ends. As the fee is an application fee, the full price is payable regardless of when the property was purchased or licence applied for.

The application fee for Selective Licensing attracts a range of discounts that include applying within the first 3 months of the designation, being accredited under the Good Landlord and Agent Scheme and being previously licenced. This brings the cost of the application fee down to as low as £369 and can also be paid by Direct Debit to make it as affordable as possible. With regard to applying a discount for those who use an accredited agent, the Council are going to investigate this option further. All managing agents must be accredited unless they have already passed the 'fit and proper' persons criteria, to ensure that they have appropriate management standards.

We do not consider the Selective Licensing application fee to be a barrier to investment within these areas. As previously mentioned, the fee is aimed to be as affordable as possible. There is an increasing demand to buy in Selective Licensing areas, as house prices have consistently increased in every area that has been subjected to the scheme and the number of house sold per year has also steadily increased. The proportion of privately rented properties in these areas still remains high, between 43 and 49%. This shows that there is still investment being made in these properties and that the private-rented sector is still tenure of choice within Selective Licensing areas.

As you can appreciate, an application for a licence may take time to progress to licence, particularly when there is a high volume of applications to work through, such as in the first few months of a new designation. The process can be made more efficient by ensuring that all the correct information and documentation is attached at the time the application is submitted.

The 150% Council tax applied to long-term Empty Properties was introduced to deter owners from holding these properties unoccupied. This has a negative effect on the aesthetic of the area, and may attract other problems such as anti-social behaviour and environmental crime. There is assistance available to landlords of such properties, including interest free empty homes loans of up to £20,000. The property must have been empty for at least 6 months to be eligible for this option, and the loan is repayable over 10 years. Alongside this, the Selective Licensing application fee will be paid for those that have applied for a loan within four months for a property that has been vacant for 12 months, providing that all remedial work outlined by the Council is approved. A rebate of six month's Council tax is also available when a property of this type becomes occupied. These options are only available for accredited agents.

Are there any alternatives to selective licensing?

- Registered landlord
- National database
- Review
- Licence tenants (good tenant list)
- Add fees to council tax (others benefit at expense of landlords)
- Why isn't it Borough wide? It appears odd. Would support a wider scheme
- Good idea overall, can't fault it. Occasional communication problems.
- Demolition.

Alternatives to Selective Licensing have been addressed when considering whether to bring the scheme back in to Trinity, Queensgate and Gannow and introduce it to Daneshouse and Stoneyholme.

Accreditation for landlords has been considered as an option to improve standards within the private rented sector. This is however a voluntary service, so landlords cannot be compelled to join the scheme and thus improve property conditions or management standards. It is likely that only 'good' landlords would volunteer to be part of this scheme, whilst 'bad' landlords would continue to act in this manner.

The Council provides a list of GLAS accredited managing agents to those looking to appoint a new managing agent. We can ensure that the management standards are adequate in these cases.

The Elevate programme did fund the demolition of many terraced properties within the areas. New houses were then built which varied in size and had more parking and open spaces. These new developments have helped to provide more choice for residents. The Government no longer fund this type of physical regeneration. The Council do however continue to fund the empty property initiative, which continues to tackle long term empty properties that are causing problems within neighbourhoods. Even with this physical regeneration, a poor private rented sector undermines the regeneration of neighbourhoods as landlords do not manage the tenancies or condition of the properties.

There is a currently a national database for rogue landlords and managing agents. There are strict regulations surrounding who can be entered onto this database; they must have:

- been convicted of a banning order offence that was committed at a time when the person was a residential landlord or property agent; and/or
- received two or more financial penalties in respect of a banning order offence within a period of 12 months committed at a time when the person was a residential landlord or a property agent.

A database for good tenants would be something that would be completely voluntary. This is not something that Burnley Council would be involved in however we do offer the tenant reference checking service to see whether prospective tenants are known to us.

The nature of Selective Licensing ensures that it is just that, selective. It targets areas that have a high proportion of private rented properties that have experienced low demand and poor property conditions. We do agree that the high standards for property management that are a requirement under Selective Licensing should be a necessity for all landlords. All landlords are able to voluntarily apply for the Council's own accreditation scheme.

What could be done to improve the delivery of selective licensing?

- Speed up process of issuing Licensing Process
- Shouldn't pay fees when sold property
- Make fees transferable
- Reductions for additional properties should be higher
- Dedicated officers for area working
- Evening work after 5pm/ see areas in a different light
- ASB/DBYs-fly tipping
- Information- What is Selective Licensing?
- Information- When get the License
- Communication, though some said they liked the communication, happy to receive emails find it more productive.
- Hyndburn offer reduced fee for those using accredited agent.

The legislation that governs selective licensing does not allow the licences to be transferred. Fees cannot be transferred to other properties as the cost is for the application of each property. Each

property must have the correct documentation processed; the application fee covers the implementation, processing and monitoring of each property, as well as actually issuing the licence.

The option of the direct debit was made to make the application fee more affordable. As it is an application fee charge, the monthly payments continue to be taken until the full application fee due is paid.

The process for issuing an application involves the thorough checking and validation of the application form, all the information contained therein and the required documents, including the disclosure check and membership of the Good Landlords and Agents scheme (GLAS) where applicable. Once the application is validated as complete, it is passed to the area officer to progress toward a licence, at which point consultation with other agencies is required. As the process is potentially quite complex, applications take time to work through the various checks and procedures to ensure that adequate management procedures are in place and that the 'Fit and Proper' persons requirements are met. There is often a high number of applications and associated paperwork to process at any one time, particularly at the beginning of a new designation. This process can be made much more efficient by ensuring that all the correct documentation is submitted and the correct application fee paid on submission.

The 30% GLAS accreditation discount is available to the landlord, rather than the managing agent they may employ to act on their behalf, so to qualify you would need to be an existing GLAS member yourself. The aim of selective licensing is to improve management standards, and whilst the licence holder remains in their role for the term of the licence, an owner may change managing agents at any time, including to a non-accredited agent once the license had been granted. This could undermine our aim of ensuring consistent management standards across the board.

When considering the Selective Licensing application fee, after considering all discounts that are available including GLAS membership, discounts for those previously licenced and an early application discount, the total can be as low as £369. In comparison to other Councils country-wide operating the scheme, this is one of the lowest prices available.

Area officers regularly monitor the condition of back yards within the Selective Licensing areas and also hold frequent drop-in sessions to for residents to share any concerns regarding environmental crime and anti-social behaviour. Incidences can be reported to the Selective Licensing team for further investigation. We also work closely with Streetscene and other agencies such as the police and Registered Social Landlords to share information and tackle outstanding issues. We will relay these issues to landlords and continue to monitor them.

We are open to suggestions on our communication style. We mainly use e-mail and phone calls as an initial option to gauge a response for things that may be required. This is followed up with a letter usually if the e-mail has not been responded to and it warrants further action to be taken. Our correspondence is dependent on the urgency and circumstances of the issues to which it relates. We use multiple methods of communication but are dependent on contact details being updated.

Other

- Universal Credit long winded process
- Tenants. Selective Licensing prison- need to share. Paying Council tax. Bought with sitting tenant.
- Help with fly tipping, waste, ASB. Had bad experience in Middleton with no SL, very hard work without support.
- Should be sliding scale of fees for those coming into the scheme later.
- Not a problem with empty homes in Daneshouse, long term tenants. 4 major landlords in Daneshouse who all look after properties.

Changes from Housing Benefit to Universal Credit have been a challenge and have resulted in delays to landlords receiving rent. We are hopeful that when the new system has fully rolled out this would be a much more efficient and effective way of tackling benefit payments. Housing have established links with the Department of Work and Pensions, who are now a member of the private rented sector forum, who have attended landlord evenings and run workshops for accredited landlords.

As a public body we are subject to GDPR regulations regarding the sharing of information on individuals; this may preclude the sharing of some data including a prospective tenant's prison history. Whilst officers undertaking tenant reference checks cannot advise a landlord not to take a particular tenant, their advice will recommend caution in such cases to ensure that adequate management practices are in place to deal with any potential problems that may occur during the tenancy.

The application fee for Selective Licensing is used for the administration, processing and management of the scheme. The Licence is valid for the full 5 year designation period and expires when the designation ends. Unfortunately, as the fee is an application fee, the full price is payable regardless of when the property was purchased or how long is left of the designation. We offer several discounts, including an early application discount, a reduction in price for those previously licenced and a 30% discount for those accredited under the Good Landlord and Agent Scheme. This can lower the fee to £369. There is also a Direct Debit option available, to ensure it as affordable as possible.

The proposed designation area for Daneshouse and Stoneyholme is composed of 31% private rented housing. Areas with over 19% of private rented housing are considered to have a high proportion of this type of accommodation. The area has many characteristics of low demand and poor property conditions. Over 10% of properties in the area do not have central heating and are in fuel poverty. This is significantly higher than every other ward in Burnley. Average house prices in the designation zone were £38,554 in 2016/17 compared with the rest of the ward at £79,170. Burnley's average house price is higher than this at £88,187. By improving the management practices and raising the standards, these issues can be addressed. It has been proven to make a number of improvements within the other areas, and we trust that Daneshouse and Stoneyholme will have a similar experience.

Appendix 10b

Landlord Evening 12/11/18

31 attendees

Are there issues in the private rented sector in Burnley?

a. Property Condition

- Landlords agreed that that the proposed areas are in low demand and that property conditions are poor.
- Landlords hit hard financially recently e.g. tax changes, so many landlords don't have money to do repairs.
- Landlords mentioned that generally speaking property conditions were good in Burnley. 90% good properties 10% bad they estimated.
- Poor property conditions in the Private Rented Sector.

Issues with property conditions in Selective Licensing areas are addressed through the ability the scheme grants to conduct proactive inspections, ensuring that properties meet the required HHSRS standard. Over the course of the designations, properties have been referred to the Housing Enforcement team to ensure that the Houses in disrepair are repaired and brought up to standard within the required timescales. The Selective Licensing team ensure that properties have adequate fire protection including smoke alarms, and if properties have been identified as having no means of smoke detection action, can be taken against the landlord. All properties must have valid gas certificates in place and Landlords must provide annual copies to the team. The team check to ensure that there are no gaps between gas safety checks and that gas certificates are produced within the required timescales given.

The 'fit and proper' person criteria that all licence holders are required to meet, states that all licence holders must have suitable funding arrangements in place to deal effectively with repairs when they arise. This also forms part of the Selective Licence application; potential licence holders must show that they have suitable financial management procedures in place to ensure contingency funds are available for any repair or emergency remedial works needed. This can be further investigated with credit checks and bank statements if required.

b. Property Management

- Landlords don't reference tenants properly; problems occur where there are concentrations of "poor tenants".
- Feeling that there is a lack of education on part of landlords; some see it as an investment but have no idea what they're doing.
- Some landlords (and tenants) have the mentality that substandard living conditions are acceptable.
- Problem of fake references to get rid of problem tenants; landlords not being truthful with each other cause problems for the new landlord or agent later in the tenancy.
- The feeling there are some landlords that get away with not being licensed, who think they are above the law.

- Local agents need to do regular checks.

The main objective of Selective Licensing is to raise management standards for privately rented properties. It ensures that landlords are able to deal with tenancy breaches, such as causing ASB and environmental crime. Each landlord must meet the standards required by the fit and proper person criteria. Those that do not operate the correct practices will be encouraged to improve or face being unable to operate in the area.

It is a requirement of all licences granted that landlords must conduct thorough reference checks on their prospective tenants before placing them in a property. Failure to reference tenants and provide evidence of their methods will result in action being taken for breaches in licensing conditions. The Selective Licensing team also offers reference checks for landlords free of charge. These checks highlight any anti-social behaviour that may have occurred. The checks however do not highlight how the tenant has conducted their tenancy and any arrears, so landlords should always contact one another to establish how tenants acted in their previous tenancy to avoid issues of damage and arrears occurring.

Landlords are required to attend a Landlord Development Day provided by the Residential Landlords Association (RLA). The Council offers this as a free service to landlords; it provides all essential information regarding landlords' rights and responsibilities, and the skillset needed to improve management standards and deal with issues that may arise within a tenancy. Where the landlord's circumstances prevent them attending a day's training, they also have the option to sit the online equivalent course. The only exception to attendance at a development day is for landlords who have a Managing Agent who has already attended.

It is recommended that properties are inspected quarterly. These regular checks ensure that the property maintains the required standard, and that tenants are adhering to the conditions outlined in their tenancy agreement. Any additional visitation, other than to carry out repairs, would impact on the tenant's right to quiet enjoyment.

The Selective Licensing team are able to conduct proactive inspections. If there are any issues of disrepair and standards fall below that required by the HHSRS, then a schedule of works will be produced and a timescale given to ensure that these are done promptly.

The number of those applying for a licence shows a high compliance rate of between 94 and 98%. Regular monitoring exercises are conducted within the areas to monitor the turnover of properties and check the status of each property to ensure applications are submitted when required. Any changes to licensed property ownership or management agency should be communicated to the Selective Licensing team; this is a condition of all licences granted.

At the time of writing, 26 landlords representing 41 properties have been successfully prosecuted for failure to apply for a licence. 4 landlords representing 5 properties have received civil penalty notices totalling £55,000. 18 Rent Repayment Orders have been made and upheld by the Residential Property Tribunal.

c. Reputation

- Agreed reputation of PRS poor in Burnley, landlords felt they were doing what they do properly and others are not, drags the sector down.

- Landlords + tenants operating under the radar.
- Identify the bad agents.
- Tenants/ unfair balance/ tenants register – good tenant scheme.
- Identify the ones that aren't complying/Enforce/ Landlords want to see action.

We want to work with landlords and agents to raise standards and improve the reputation of the private rented sector in Burnley. Unfortunately, there are a significant number of landlords who do not operate to an acceptable standard; selective licensing legislation allows us to identify and challenge these. The legislation does not give us the ability to distinguish between types of landlords, but is an area based scheme, so all landlords within a designated area require a licence.

We are confident that under Selective Licensing we will be able to improve both the reputation of landlords and the condition of properties for these areas. There have been considerable improvements within Selective Licensing areas and with a further 5 year designation for Trinity, Queensgate and Gannow and the introduction for Daneshouse and Stoneyholme these improvements can continue to develop.

At the time of writing, 26 landlords representing 41 properties have been successfully prosecuted for failure to apply for a licence. 4 landlords representing 5 properties have received civil penalty notices totalling £55,000. 18 Rent Repayment Orders have been made and upheld by the Residential Property Tribunal.

Aforementioned, we believe conformity rates to be high in Selective Licensing areas. They are also regularly monitored and checked to uncover any changes to property status.

d. Other

- Need more action on Empty Homes.
- They considered that problems were more likely caused by tenants committing ASB and inferred the Council is at fault as they allowed people to migrate from one part of the town to the other after demolition etc. I linked this to current movement of bad tenants hopping from property to property, and how tenant reference checking stops that.
- Rubbish being dumped: fly tipping and dirty back yards.
- Overcrowding – Poor amenities – not meeting standards.

There has been a consistent reduction in the number of empty homes across all Selective Licensing areas. The Empty Homes team work closely with the Selective Licensing team to combat this issue. The team deliver a number of initiatives to reduce the number of empty properties within the designated areas. These include the availability of interest free empty homes loans of up to £20,000. The Empty Homes team are also able to purchase a number of properties for renovation and resale.

The movement of tenants is monitored, particularly if they are known for anti-social behaviour. If necessary, this information is passed on to other agencies working with us to tackle antisocial behaviour and we will also use other powers that we have. We will monitor also monitor the number of illegal evictions; this helps to tackle homelessness issues as the Selective Licensing team works closely with Housing Needs. It is a requirement that under Selective Licensing, all landlords

must conduct thorough reference checks on their prospective tenants before placing them in a property. Failure to reference tenants and provide evidence of their methods will result in action being taken for breaches in licensing conditions. The Selective Licensing team offers free reference checks for landlords, to help highlight any anti-social behaviour that may have occurred. The checks however do not highlight how the tenant has conducted their tenancy and any arrears, so landlords should always contact one another to establish how tenants acted in their previous tenancy, to avoid issues of damage and arrears occurring.

In addition, the new 'Housing in Multiple Occupation' standards, (HMOs), will help us ensure that multiple tenants are not housed in properties unfit for this purpose, thereby providing landlords a pool of potential tenants and increasing demand within the area.

Incidents of environmental Crime such as dirty backyards and fly tipping are monitored and resolved within the designated areas as part of Selective Licensing. These issues may be reported to the Council, as both Selective Licensing and Streetscene work to address them. Selective Licensing will contact the landlord and manager involved in the property, to ensure they are aware of the situation and to deal with the tenant to prevent any reoccurrence. In all previously designated areas, environmental crime has decreased significantly. We are aware that issues of this nature are still prominent and hope to tackle this further with an additional 5 years of the scheme.

Is Selective Licensing helping with these issues?

- Yes, it has definitely improved standards, if licensing wasn't in the properties in these areas would not be as good.
- SL helps to advise landlords. They can use SL as leverage to force landlords/tenants to act. Need the support of SL to do their job.
- Queensgate – improving – working tenants.
- To a degree/ a way to go.
- Fee too high not encouraging people to come forward.
- Requirement of agents to notify Local Authority, if a landlord moves away from their management.
- Concept is good – where are the bad tenants going.

We are glad that you have experienced improvements within Selective Licensing areas and that you appreciate the necessity of raising management standards in the private rented sector.

The Selective Licensing team aim to be as cooperative as possible in order to provide support, advice and help resolve any issues for landlords, tenants and homeowners alike. Landlords can also depend on the Council to provide reference checks and by offering training by an external professional that provides information and skills on the Landlord Development Day.

Anti-social behaviour in Queensgate has decreased significantly since before Selective Licensing was introduced. Numbers of anti-social behaviour incidents reported to the police have reduced by 43% between 2013 and 2017. Similar patterns can be seen in other areas that have been subject to Selective Licensing. We work with partner agencies, such as the Council's antisocial behaviour team, the Police, Floating Support and the Targeted family services to ensure landlords, agents and tenants

have access to support needed to be successful in their tenancies and to deal with any problems that may arise.

Selective Licensing is recognised as a long-term strategy. Improvements have been made in all areas that have been subjected to the scheme; however, we appreciate that there is still progress to be made. We are hopeful that with a further 5 year designation in existing areas and the introduction of the scheme in Daneshouse and Stoneyholme that the areas will continue to develop. By raising management standards it is possible, as evidenced, that issues of low demand and poor property conditions can be overturned.

The application fee for Selective Licensing is used for the administration, processing and management of the scheme. The Licence is valid for the full 5 year designation period and expires when the designation ends. Unfortunately, as the fee is an application fee, the full price is payable regardless of when the property was purchased or how long a period is left of the designation. We offer several discounts, including an early application discount, a reduction in price for those previously licenced and a 30% discount for those accredited under the Good Landlord and Agent Scheme. This can lower the fee to £369. There is also a Direct Debit option available, to ensure it as affordable as possible.

Tenants known to us for anti-social behaviour have their movements monitored. If they move to other areas and this causes concerns, this information will be passed on to other agencies working with the Selective licensing team in order to tackle anti-social behaviour. The Council and Selective Licensing team will use any and all necessary powers that we have. We closely observe the number of illegal evictions made; this can limit the incidences of homelessness and is communicated with the Housing Needs team.

What are the positive aspects of selective licensing?

- Positive experience of assistance with tenant referencing.
- GLAS seems to be working but won't tackle criminal landlords.
- Selective licensing is trying to achieve what we want to see, improvements in areas and an increase in property values.
- The empty homes loan is a very good incentive. Selective licensing would not put me off investing in the area nor would it stop a property sourcer advising landlords of properties in a selective licensing area.
- 30% reduction in selective licensing fees for accredited landlords.
- Training and promotion of good practice such as the importance of checking your house on a quarterly basis.
- Setting standards for everybody across the board.
- Less rubbish, environmental crime, dirty backyards, fly-tipping.
- "Helps me do my job better".
- SL officers go above and beyond to help with "problem" tenants and families.
- Relationships between agents and the council improved massively since introduction of Selective Licensing, positive contact and positive attitudes, better working relationship.

- Raising Standards idea is great.
- Empty homes loans positive.
- Incentives help.

We are glad that you have experienced a positive impact from Selective Licensing.

We offer a number of services, including tenant referencing, to assist landlords and ensure they make the right decision regarding their property. Council systems and officer experience is useful in guiding a landlord to judge if prospective tenants are a suitable candidate for that area and that property. Ultimately, it will be the landlord's decision to place a tenant in their property, but they must ensure that they can manage any issues that may arise under the tenancy agreement. Alongside this, the Selective Licensing team can be depended on for support and advice.

Landlords are required to attend a Landlord Development Day provided by the Residential Landlords Association (RLA). The Council offers this as a free service to landlords; it provides all essential information regarding landlords' rights and responsibilities, and the skillset needed to improve management standards and deal with issues that may arise within a tenancy. Where the landlord's circumstances prevent them attending a day's training, they also have the option to sit the online equivalent course. The only exception to attendance at a development day is for landlords who have a Managing Agent that has already attended. Here, landlords share and learn approaches and procedures to manage their properties, e.g. quarterly property checks and providing an inventory at the beginning of the tenancy.

The GLAS accreditation scheme is voluntary and only appeals to those who want to maintain and improve their standards to be a better landlord. As this scheme is voluntary, it is unlikely that poorer landlords would come forward and subject themselves to the standards that GLAS requires. GLAS accreditation does offer a number of benefits to attract landlords. These include a 30% reduction of the application fee, as well as the opportunity to apply for interest-free empty home loans, have their application fee paid and Council tax rebated; all to encourage bringing empty properties back in to use and to the standards that Burnley Council require.

Environmental Crime is also dealt with under Selective Licensing if it occurs in privately let properties. This can be reported to the Council and both Selective Licensing and Streetscene will aim to address this. Selective Licensing will communicate with the landlord and manager involved in the property to make sure they are aware of the situation and to speak to the tenant to help prevent any reoccurrence. Incidences can also be reported to officers direct at regular drop-in meetings, where a Council officer will be present to deal with any concerns. In all previously designated areas, environmental crime has decreased significantly. We are aware that issues of this nature are still prominent and will continue to tackle this further with an additional 5 years of the scheme.

What are the negative aspects of selective licensing?

- Legislation is rigid, affects everyone rather than just "poor" landlords.
- Good landlords sometimes feel that they are being treated unfairly; "heavy handed"
- Doesn't do enough to address empty properties.
- Tax on empty properties is unfair.
- The fee.

- Set dates for paying fees, discussed why it can't last a full five years like an HMO licence does. Landlords missing out if come into the scheme at the end, paying the same for 2 years as someone who has had licence for 5 years. The fee charged for landlords licence must be pro rata. I paid £750 for a licence that was valid for less than 18months.
- Doesn't come up in Local Authority land charge searches so new buyers often don't know it's in an SL area if estate agent or seller has not told them.
- Having to attend development days when live far away and have a managing agent. Discussed importance of landlords knowing their legal duties and ensuring their agents fulfil these.
- Landlords wanted to know what they were getting for their £750 fee. Officers explained what the team does and how we link into other services and work with other service providers. How our information and knowledge of the areas is so crucial to creating a greater positive impact in the area.
- One landlord with a single property claiming to be a good landlord with a good tenant wanted to know why she should be paying for bad landlords. Explained how a bad landlord next door with a bad tenant could spoil her tenants' life and subsequently her relation with her tenant and her business and livelihood. Explained Selective licensing aims to stop that from happening.
- Landlords complained about fees being too high – I explained that with the discounts the fee can be as low as £369 or equating to £74 a year over the 5 years. Explained that if the landlord's property was occupied an extra month during the course of the 5 year period due to our intervention, they were 'in pocket' as it had paid for itself.
- Some fall through the cracks – not all are complying.
- Costs of the fee. Low Rental Yields / affecting private landlords' profits.
- Base fee on yield in the future/ staged approach over the first few years.
- Losing those good inventors.

Whilst we recognise that there are many decent landlords who look after their properties, there are still public concerns over the condition, management and reputation of the private rented sector in Burnley. Selective licensing, like all licensing regimes operated across the country, is there to protect communities and visitors, manage public health risks and respond to public concerns. Selective Licensing compels all landlords to work towards the same standards so that management practices and conditions meet the same standards, helping to provide a level playing field for all landlords and preventing undercutting by poor practice. The legislation does not permit differentiation between 'good' and 'bad' landlords, but requires that all landlords operating within a designated area are licensed to do so.

All the Licensing area designations introduced since 2008 have been for a 5 year period, which is funded by the application fee. The application fee is non-transferable; privately let properties with 18 months remaining of the designation period are still required to be licensed. The fee is an application fee and covers the costs of validating, processing, issuing and monitoring licences, as well as continuing our area work to offer the sustained improvements we seek.

Whether a property falls within an area designated for Selective Licensing is listed as an additional question on local authority land searches. In addition, the Council's website lists the streets and

house numbers covered by the scheme; prospective buyers are strongly advised to carry out their own research before buying a property.

The requirement to attend a Landlord development day is to help ensure that landlords are updated and fully aware of the implications of any legislative changes, and of the range of rights and responsibilities they have regarding their property. As a major asset, they need to be in a position where they can deal effectively with often difficult issues, e.g. tenants causing damage to the property, breaches of tenancy such as causing anti-social behaviour and environmental crime, or how to carry out a legal eviction. Feedback from attendees at the training days has been very positive, and it offers a useful networking opportunity with other landlords and agents. Where the landlord's circumstances prevent them attending a day's training, they also have the option to sit the online equivalent course. The only exception to attendance at a development day is for landlords who have a Managing Agent that has already attended.

Selective Licensing's main objective is to raise standards in the management of privately rented properties. It ensures each landlord and manager are assessed against the fit and proper person criteria and management standards, and those without the correct procedures in place will be encouraged to improve or ultimately face being unable to operate in the area. As a result of these improved management practices, areas with high proportions of private rented properties will improve. Unfortunately, there are a significant number of landlords who do not operate to an acceptable standard; Selective Licensing legislation allows us to tackle these. The legislation does not give us the ability to distinguish between types of landlords, but is an area based scheme, so all landlords within a designated area require a licence.

The 150% Council tax that is applied to long-term Empty Properties is there in order to deter owners from keeping these properties unoccupied. This has a negative effect on the aesthetic of the area and can attract other problems such as anti-social behaviour and environmental crime. There is assistance available including interest free empty homes loans of up to £20,000. The property must have been empty for at least 6 months to be eligible for this option and the loan is repayable over 10 years. Alongside this, the Selective Licensing application fee will be paid for those that have applied for a loan within four months for a property that has been vacant for 12 months, providing that all remedial work outlined by the Council is approved. A rebate of six month's Council tax is also available for when a property of this type becomes occupied. These options are only available for accredited agents.

The application fee is required to process, implement and monitor the scheme. The Licence is valid for the full 5 year designation period and expires when the designation ends. As the fee is an application fee, the full price is payable regardless of when the property was purchased or licence applied for. Landlords have access to the number of training days that the Council offer, support and advice from area officers and a tenant referencing service. Landlords benefit from the improvement of the area, which results in higher house prices and attracts further investment.

The application fee for Selective Licensing can be reduced under initiatives that include applying within the first 3 months of the designation, being accredited under the Good Landlord and Agent Scheme and being previously licenced. This brings the cost of the application fee down to as low as £369 and can also be paid by Direct Debit to make it as affordable as possible.

Compliance rates are considerably high at between 94 and 98% when considering those applying for a licence. Regular exercises are conducted within certain areas to monitor the turnover of properties to check the status of each property to ensure an application is submitted. Any further information on this should be communicated to the Selective Licensing team.

Are there any alternatives to selective licensing?

- Landlords agreed that GLAS could only go so far, only the better landlords will join, leaving the poor, criminal landlords operations being unaffected.
- Link to property condition, if a landlord constantly has poor quality houses stop them being able to rent to tenants in receipt of housing benefit or universal credit.
- Not an alternative but look at council providing affordable mortgages for tenants who may want to buy the private rented property they are in, if the landlord is willing to sell.
- Rogue landlord database.
- Mandatory licensing / borough wide – lower fee.
- Agents – all must register + checked that they meet minimum Standards.
- Fewer would try to avoid it.
- Landlord registers/ educate/ compulsory membership of NLA etc.

Alternatives to Selective Licensing have been addressed when considering whether to bring the scheme back in to Trinity, Queensgate and Gannow and introduce it to Daneshouse and Stoneyholme.

Accreditation for landlords has been considered as an option to improve standards within the private rented sector. This is however a voluntary service, so landlords cannot be compelled to join the scheme and thus improve property conditions or management standards. It is likely that only 'good' landlords would volunteer to be part of this scheme whilst 'bad' landlords would continue to act in this manner.

There is a currently a national database for rogue landlords and managing agents. There are strict regulations surrounding who can be entered onto this database; they must have:

- been convicted of a banning order offence that was committed at a time when the person was a residential landlord or property agent; and/or
- received two or more financial penalties in respect of a banning order offence within a period of 12 months committed at a time when the person was a residential landlord or a property agent.

Issues with property conditions in Selective Licensing areas can be addressed as a result of the ability to conduct proactive inspections. All properties must meet the required HHSRS standard. Over the course of the designations properties have been referred to the Housing Enforcement team to ensure that the Houses in disrepair are repaired and brought up to standard within the required timescales given. The Selective Licensing team ensure that properties have adequate fire protection including smoke alarms and if properties have been identified as having no means of smoke detection action can be taken against the landlord. All properties must have valid gas certificates in place and Landlords must provide copies to the team. The team check to ensure that there are no gaps between gas safety checks and that Gas Certificates are produced within the required timescales given.

Selective Licensing is utilised to target areas of low demand that have a high proportion of private-rented properties. It does this by raising management standards in these areas. The scheme has to be selective and target just these areas to be effective.

We recognise that there are good landlords and to encourage them we offer a number of discounts for licensing that are targeted particularly at these people. The application fee for Selective Licensing can be reduced under initiatives that include applying within the first 3 months of the designation, being accredited under the Good Landlord and Agent Scheme and being previously licenced. This brings the cost of the application fee down to as low as £369 and can also be paid by Direct Debit to make it as affordable as possible.

What could be done to improve the delivery of selective licensing?

- Pro rata the fee, why should people who only need a licence in year 5, pay as much as a person who needed a licence in year 1?
- Continuity when applying for a licence. Same officer dealing with their application form.
- Standard guidelines for selective licensing across the country.
- Improve communication; tell landlords what the scheme has been doing. Monthly bulletins including details of enforcement action, civil penalties, prosecutions, number of inspections, case studies etc.
- Agreed pretty responsive and speedy service, one landlord preferred to be written to rather than emails though others preferred emails as allows keeping track and managing business better.
- One landlord has an empty property on Ford Street where people fly-tip into his backyard. He says he constantly gets letters off the Council asking him to clear his backyard. He wanted to know why we can't catch the people doing it. He wants licensing to fund CCTV in the area. Discussed that the way to deal with it wasn't CCTV but for him to take advantage of empty homes loans and bring the property back into occupation.
- If it's previously been licensed a lower fee.
- Increased monitoring to identify those not complying.
- Regular news letters/Emails/ education.
- Are they using a good manager?
- Back up letters with emails.
- Build the relationship.
- Staged licenses linked to yield.
- To attract investors / not put them off.

Thank you for your suggestions for improving service delivery of Selective Licensing. All recommendations have been noted and are being considered with regards to the proposed new designations.

The application fee is required to process, implement and monitor the scheme. The Licence is valid for the full 5 year designation period and expires when the designation ends. As the fee is an application fee, the full price is payable regardless of when the property was purchased or licence applied for.

Continuity is something that could be considered in terms of administration for the application. It would normally be the same Project Assistant dealing with an application as they all are responsible for an area each. We try to make this process as smooth and efficient as possible and make correspondence in a number of ways. We mainly use e-mail and phone calls as an initial option to gauge a response for things that may be required. This is followed up with a letter usually if the e-mail has not been responded to and it warrants further action to be taken. Our correspondence is dependent on the urgency and circumstances of the issues to which it relates. We use multiple methods of communication but are dependent on contact details being updated.

The general framework for Selective Licensing applies to all local authorities that choose to partake in the scheme. However, the legislation allows for each local authority add any additional conditions and requirements that they feel necessary for improving management standards.

We agree that regular communication in the form of news-bulletins would be good practice to ensure that those involved within the Selective Licensing scheme are aware of any developments or occurrences. This would help to build the Council/Landlord relationship that we wish to achieve, meaning that landlords are more willing to engage with the scheme.

Environmental crime is an issue that relates to private rented property management standards and displays itself within low demand areas. This can be reported to the Council, both Selective Licensing and Streetscene will address this issue. Selective Licensing will speak to the landlord and manager involved in the property to make sure they are aware of the situation and to speak to the tenant to prevent it from occurring again. In all previously designated areas, environmental crime has decreased significantly. We are aware that issues of this nature are still prominent and hope to tackle this further with an additional 5 years of the scheme. CCTV is a very expensive and intrusive tool. The Council do however have a mobile CCTV unit which is used in specific cases.

If a property has been previously licenced and is then sold we are still required to charge the full application fee for the property. This application fee ensures that the application can be processed and both the management and property can be monitored. Landlords may not keep the standards consistent to the previous owner and so the property and application will need treating separately. There is a discount offered for landlords who are applying for any additional properties.

Those found to not be complying with the conditions outlined within Selective Licencing will have action taken against them. They will be monitored and encouraged to improve their management and if they still fail to meet the required standards they will face being unable to operate within these areas. The Selective Licensing team can issue refusals, revokes, Civil Penalties and Prosecutions to those that do not meet the correct standard or breach their licence conditions. Civil Penalties can be issued for up to £30,000 and Prosecution fines are unlimited.

Landlords benefit from the improvement of the area, which results in higher house prices and attracts further investment. Selective Licensing raises standards for the private rented sector and results in better property conditions and improved behaviour from tenants.

Other

- It was mentioned that Registered Providers should also be required to apply for a licence.
- Burnley is an attractive offer for investors. Lower house prices mean that landlords get more for their money. Professional landlords would rather buy several properties therefore splitting the risk. E.g. If one tenant stops paying they still have two other tenants that are. These landlords tend to see licensing as part of their business model and take the costs into consideration.
- Suggestion from one agent that the biggest problem in Daneshouse/Stoneyholme is education of both landlords and tenants on minimum standards for housing.
- Another landlord explained that his property has been empty for two months and he is struggling to find a tenant and that other tenants didn't stay long term. Discussed the advantages of using accredited agents also went into details on the amount of investment that has gone into the Westmorland Street area.

Calico and other Registered Providers abide by their own strict rules and regulations. Selective Licensing addresses only the Private Rented Sector of housing. The nature of Selective Licensing ensures that it is just that, selective. It targets areas that have a high proportion of private rented properties that have experienced low demand and poor property conditions. We do agree that the high standards for property management that are a requirement under Selective Licensing should be a necessity for all landlords. All landlords are able to voluntarily apply for the Council's own accreditation programme, the Good Landlord and Agent Scheme. This offers a number of benefits and also ensures that appropriate management and property standards are maintained.

Burnley Council aim to do what is right for its residents. We are working on Selective Licensing to help to improve areas and make them a safer and more enjoyable location to live. Rising house prices is a good thing for Burnley and its communities. It shows prosperity and growth. The application fee is structured in a way that benefits good landlords with good practices. It is made to be as affordable as possible and the option of direct debit payment means it can be managed.

The proposed designation area for Daneshouse and Stoneyholme is composed of 31% private rented housing. Areas with over 19% of private rented housing are considered to have a high proportion of this type of accommodation. The area has many characteristics of low demand and poor property conditions. Over 10% of properties in the area do not have central heating and are in fuel poverty. This is significantly higher than every other ward in Burnley. Average house prices in the designation zone were £38,554 in 2016/17 compared with the rest of the ward at £79,170. Burnley's average house price is higher than this at £88,187. By improving the management practices and raising the standards, these issues can be addressed. It has proven to make a number of improvements within all other areas and we are hopeful that Daneshouse and Stoneyholme will have a similar experience.

Date	Query/Comment	Burnley Borough Council Response
29/11/18	<p>Hope you are well. Apologies for the delay in responding. I write to fully support the proposals to introduce licensing in the Daneshouse and Stonyholme areas of Burnley. We have the majority of our stock in the Daneshouse area. We have a total of 120 units in Burnley of which 103 are in Daneshouse. Our properties are mainly new build in the area .We have low turnover and generally we have found there to be good demand for our stock. We experience very few HM and TM issues including ASB. Having said this, I fully understand the impact of mixed tenure areas and the difficulties RSL's and owner occupiers face if there is a private LL property poorly maintained and where there may be issues of ASB being perpetrated from residents – the impact this can have on a community can be far reaching and will inevitably lead to unsustainability as the good residents start to move away. In the spirit of multi-agency and partnership working, it is sometimes difficult in locating/engaging with private LLs as they have no standard /guidelines to follow.</p> <p>By introducing Selective Licensing it will give Private landlords the structure /support and guidelines and standards within which to manage and maintain their properties. It will also deter rogue landlords from an area. This will support Great Places strategic objectives to create safe and sustainable communities.</p>	<p>Thank you for taking the time to respond to the consultation regarding Selective Licensing in Daneshouse and Stonyholme. We are happy to hear that you are open to working in partnership with us should the proposal be approved, and that you recognise the reasons why we have proposed to introduce the scheme to this area. We look forward to working with you towards our common aim of improving these areas to overturn low demand and poor property conditions.</p>
27/11/18	<p>Dear Team.</p> <p>With regard to Selective Licensing I think it is good to keep up standards in the Letting property market; I agree it helps with anti-social behaviour and crime and stops landlords from letting poor run down houses. It lets landlords understand management standards, not to put tenants at risk and to improve areas. The one big thing is the cost of the Licence which would put a lot of landlords off of joining; maybe that could be looked at.</p>	<p>Dear (NAME REDACTED),</p> <p>Thank you for responding to our consultation on Selective Licensing. We are glad that you have experienced a positive change in the Trinity area as a result of the scheme in terms of improved management practices and property standards, and our evidence does indeed illustrate that anti-social behaviour and empty homes in the area have reduced, whilst property values continue to grow steadily.</p> <p>The fee that is associated with applying for a Licence is needed to</p>

	<p>With my Licence I paid £730 on 1/2/2018 but on my licence says it is valid from 11/6/2018 to 14/01/2019. Does that mean I have to pay another £730 on 14th January 2019? I hope my thoughts are of some use.</p> <p>Best Regards (NAME REDACTED)</p>	<p>implement the scheme, issue the licences, enforce non-compliance and monitor the areas. The Council is not allowed to make a profit from this and funding goes into providing a service for landlords and tenants alike. The Council offers a number of initiatives to help landlords manage their properties and deal with issues relating to tenants. These include training days, support and advice from officers and tenant referencing.</p> <p>The application fee is also subject to a number of discounts. This includes a 30% reduction for those accredited under the Council's own Good Landlords and Agents Scheme, (GLAS), reductions for additional properties and historically, an early application discount. As a result, the application fee for Selective Licensing in Burnley is comparatively low when considering other Councils operating the scheme nationwide.</p> <p>All the Licensing area designations introduced since 2008 have been for a 5 year period, which is funded by the application fee. As your application was made in January 2018 and the scheme ends in 2019, only a year of the current designation remains. If the proposed designations are approved by the Secretary of State, there will be a 'fallow' period of 3 months before the new designation is imposed. As the licences currently in place are non-transferable, unfortunately at this point a new Licence for each privately rented property in the area will need to be applied for, which will incur a further application fee to fund the continuation of our area work and offer the sustained improvement we aim to achieve. Whilst you are understandably concerned about the possible further costs to yourself, I hope this information sets it in context.</p> <p>If you have any further queries on this please do not hesitate to contact us.</p> <p>Regards</p>
26/11/18	<p>My thoughts regarding selective licensing: The above is a complete waste of time and has been put in place to raise money for people high up in the council.</p> <p>As a new investor in Burnley, it has put me off ever investing again. Through this scheme, Landlords are seen as bad people and are blamed for the current state of the area and people that live in</p>	<p>Dear (NAME REDACTED),</p> <p>Thank you for responding to our consultation regarding Selective Licensing. Please be assured that the scheme is definitely not about 'persecuting' or placing blame on 'bad' landlords. Rather the aim is to ensure that property management and minimum conditions improve across the board, and that the correct tenancy agreement clauses are in</p>

it. Really, landlords should be encouraged to invest and this scheme gives nothing to persuade would- be investors to invest in Burnley.

The scheme is ridiculously expensive and claims that it needs the cash to make sure that I and other Landlords get good tenants so that the area benefits. The administration side is over kill; way too much detail and often very repetitive. Do you really think that I would want anything but a good tenant in my property, after I have spent thousands of pounds investing in it?

In any case I do not see how your scheme ensures this. I pay a company to find and vet a good tenant for me. Yet I pay you as well for nothing but grief.

The state of Burnley is not my fault, is all I have done is improve the area by renovating a property that was completely run down and was attracting vandals and drug users in its previous state. Instead of encouraging myself and other people like myself, the Council decides to persecute them and effectively, steal money off them under the guise that it is the Landlords fault and we are doing it for the area????

Regards, (NAME REDACTED)

place and enforced where issues may arise with poor tenants.

We acknowledge that there is a fee associated with the licence as with all public licensing regimes, whether that be taxi licensing, waste disposal licensing or public entertainment licensing. These licensing regimes are there to protect communities and visitors, manage public health risks and respond to public concerns. There are public concerns over the condition, management and reputation of the private rented sector in Burnley. Selective Licensing compels all landlords to work towards the same standards so that management practices and conditions meet the required legal standards as a minimum.

The application fee is also subject to a number of discounts. This includes a 30% reduction for those accredited under the Council's own Good Landlords and Agents Scheme, (GLAS), reductions for additional properties and historically, an early application discount. As a result, the application fee for Selective Licensing in Burnley is comparatively low when considering other Councils operating the scheme nationwide. Council tax rebates of six months are also available to accredited landlords when a vacant property is bought back into use. We have made changes to the charging regime after previous feedback from landlords regarding the fee, e.g. during previous selective licensing consultation events, landlords told us that paying by direct debit for the licensing fee would help; also that a higher discount for accredited landlords would be welcomed, so both these suggestions were implemented. The Council does not make a profit from the scheme, as the monies received through payment of the application fee are used to fund its implementation and monitoring. We offer a number of initiatives to help landlords manage their properties and deal with issues relating to tenants. These include training days, support and advice from officers, compulsory tenant referencing and providing advice and support in regards to landlord's and tenant's rights.

We appreciate that the application process inevitably appears a bureaucratic one, but unfortunately not all landlords take your approach to ensure only good tenants occupy their properties, and not

		<p>all are prepared to spend similar amounts on necessary repairs. For those landlords who may ultimately prove unwilling to co-operate, processes must be well documented in order to enforce compliance. Whilst prosecutions and the imposition of Civil penalties for failing to comply with Selective licensing are only used as a last resort, we would be failing in our duty as a publicly funded body if we did not ensure that sufficient evidence is documented to prove poor management, should that case ultimately come to court.</p> <p>We also work with management agencies to ensure that they also meet Fit and Proper criteria, are accredited and have the management skills to act on behalf of owners and landlords. Regarding your investment and renovation in a property which required repair; Selective Licensing works alongside the Housing Empty Homes team, who run several initiatives including offering interest-free loans of up to £20,000 to accredited landlords to renovate properties in the selective licensing area which have been vacant for at least six months. They are also able to pay the Licensing application fee for vacant homes (subject to meeting set criteria), where remedial work identified by us has been checked and approved. In addition they have the authority to purchase and renovate a number of properties per year, which are then sold, generating new market opportunities which will in turn build further confidence in the local community. They also deliver face lifting and painting schemes; all of these initiatives contribute to an improved aesthetic in the area, in turn increasing the attractiveness for future investors. We hope that you do choose to continue your investment in Burnley; if you require any further information about the Empty Homes schemes please contact us on (01282) 425011 ext. 3191.</p>
21/11/18	I refer to your correspondence re above and my views are as follows. I do not think it should be renewed because it has made little impact in terms of raising the standards of the area. There is still a high rate of turnover of tenants. Most of the properties have been improved/ renovated to a decent standard and where landlords fail to carry out repairs, the tenants have access to the Council in any case.	Dear (NAME REDACTED), Thank you for your response regarding Selective Licensing in the Gannow area. There is evidence available that the Gannow area has seen improvements, (full details to be published in February 2019). For instance, house prices within the designation area have increased by £4000 on average since the introduction of Selective Licensing. The number of empty properties has decreased by 6%. Alongside this, the reports of Anti-Social Behaviour and environmental crime to the Council

Landlords are already suffering due to the low level of rent for the area where the majority of tenants are on benefits and there is a high turnover rate of tenants.

The licensing fee and taxation puts further demands on landlords who see their income being further squeezed.

There is no concrete proof that the licensing has made all the difference to the area. What would make the difference is if the council tax is increased on empty properties which would force the landlords to either sell the property which would be good for the owner occupiers to carry out renovations and bring the properties back in to use . There are a significant number of properties in the area which remain unoccupied even though they are habitable.

I therefore am opposed to the licensing period being extended beyond the current period.

(NAME REDACTED)

have also decreased considerably within this period. With the opportunity for the re-introduction of Selective Licensing, these improvements can be sustained. I note your view regarding the renovation of many properties within the Gannow area. Selective licensing has been in operation here since 2014, which has allowed us to do proactive property inspections, and where necessary, compel landlords to follow a schedule of works for necessary repairs. Without Selective Licensing, such repairs must be reported by individuals to the Council; this process is reactive and depends on people making complaints. Unfortunately, many tenants are afraid to complain about their landlord for fear of retaliatory action. Selective Licensing offers us the only mechanism by which we can undertake proactive inspections, and take action against landlords and agents who are managing properties to a poor standard.

There are still many landlords that are unaware of their responsibilities, so in itself this risks the health, safety and welfare of tenants as well as undermining responsible landlords and the reputation of the private rented sector. Selective licensing is similar to any other licensing regime being operated across the country, whether taxi licensing or waste disposal licensing. Such regimes are there to protect communities and visitors, manage public health risks and respond to public concerns. There are public concerns over the condition, management and reputation of the private rented sector in Burnley. Selective Licensing compels all landlords to work towards the same standards, so that management practices and conditions meet the required legal requirements. In an area of the Borough without selective licensing, 100 proactive property inspections showed that over 70% of the properties inspected did not have up to date gas safety certificates. One example of what selective licensing achieves is the insurance that all properties will have an annual gas safety certificate. Through the landlord training days, in the last year over 100 landlords have attended and received updated information on legislation and best practice to help them understand their responsibilities. Over 1000 properties have now been inspected; these inspections ensure that conditions are improved.

We acknowledge that there is a fee associated with the application of a Licence. This does however offer a number of benefits for landlords, including free training days, tenant reference checks, advice and support from area officers and access to accreditation under the Good Landlord and Agent Scheme. Through this accreditation scheme, a 30% discount for each application fee can be applied. An additional discount applies for applicants submitting for more than one property, and historically an early application discount has also been offered. The overall application fee after being subjected to discounts is comparatively low when considering the application fee across Councils country-wide.

We do appreciate that empty properties are a significant characteristic of areas in low demand. As a result of this, as you have suggested, the Council already apply an increased council tax on empty properties of 150%. To improve this situation, the Selective Licensing team work alongside the Empty Homes team, who are able to offer interest-free loans of up to £20k to landlords, (to be repaid over 10 years). A technical officer carries out the inspection, draws up a works schedule for the owner, who is then required to submit estimates before the loan is offered. This enables properties vacant for longer than 6 months to be bought back into occupation. The Empty Homes team also have the power to purchase, renovate and sell on properties vacant for more than 12 months which meet the relevant criteria. Another initiative includes the Council's partnership with Calico to obtain properties as part of the social rented sector.

We share your concern regarding high tenant turnover, particularly where a landlord evicts a tenant for consistent anti-social behaviour but another landlord accepts them as a tenant a few streets away. We are currently looking at how this can be prevented in the future. Regarding tenants in receipt of benefits, some of the initiatives we are able to deliver due to Selective licensing funding are the many forums in which we work with landlords on areas of particular concern to them. For instance, in 2018 we responded to landlords' increasing concern that

		<p>the Universal Credit Full Service is adversely affecting their business with increasing rent arrears. Subsequently we arranged for the Department of Work and Pensions (DWP) to attend a landlord evening to talk about the process; an officer of the DWP now sits on the private rented sector forum and workshops with landlords and the DWP have been delivered.</p> <p>We hope this helps answer the concerns you've expressed regarding the proposals, and thank you for taking the time to respond.</p>
<p>18/11/18</p>	<p>You have asked for feedback on the enclosed and I feel it does nothing but place another burden on landlords; anybody responsible does letting through an agency unless they are someone who does this as a full time role. If property maintenance and management is the aim then approved agents who are already vetted and are managing properties should be exempt from the licensing process. In making the landlords who already pay for agents to manage pay separately for the licence, you are deterring responsible people who use respectable agents to manage the properties.</p> <p>At the moment it seems to be a scheme just to penalise landlords and this does not then reap the right result. If you award and accredit good agents and exempt people who use accredited agents, you will encourage more people to use legitimate well trained and experienced agents, hence ensuring a better outcome for both landlords and tenants.</p> <p>Regards (NAME REDACTED)</p>	<p>Thank you for responding to our consultation regarding Selective Licensing. You state responsible landlords will let their properties through accredited letting agents who already meet the Fit and Proper criteria set by the Selective Licensing, but unfortunately that's not always the case. Many of the landlords we work with may be termed 'accidental,' e.g. they have inherited a property or moved out themselves and decided to rent it out for income, so may be either unaware of – or in some cases reluctant to - take on the required responsibilities of a professional landlord. Other owners may be reluctant to pay agency fees and instead opt to manage their properties themselves. We also ensure that management agencies are themselves undertaking their full range of responsibilities and are responsive to area needs, again taking enforcement action against them where poor management prevails.</p> <p>Selective licensing is designed to work with landlords (professional or otherwise) to establish, improve and ultimately to enforce minimum property standards with those less willing to co-operate. It gives us the authority to ensure that relevant legislation is complied with, by requiring annual gas safety checks, Energy performance certificates and other documents, ensuring smoke alarms are fitted, repairs report procedures in place and managers who meet Fit & Proper criteria are equipped with the skills needed to enforce tenancy agreement breaches where required.</p> <p>The legislation does not facilitate the targeting of "bad" landlords; it is based on an area and any landlord operating within it has to apply for a licence. However, the 30% fee discount offered to members of the Council's Good Landlords and Agents Scheme shows we recognise there</p>

<p>Reply 18/12/18</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 334</p>	<p>If this is indeed the case, then where the agent managing the property is accredited the 2039% discount should apply. And this was certainly not the case initially which seems extremely unfair, regardless of who owns the property; if the managing entity is registered and accredited the discount should apply. Regards</p>	<p>are good landlords already operating in these areas. Working with landlords, tenants and managing agents we want to improve the reputation of the private rented sector and raise property standards within these areas. The aim is to overturn low demand and poor property conditions where there is a high percentage of private-rented housing.</p> <p>Good afternoon (NAME REDACTED), and thank you for your prompt reply. It's not clear exactly what you refer to in saying this was 'initially not the case' without more detail, so to clarify the issue I refer to the original fee schedule: "To reward landlords who are already operating to a minimum legal standard in Burnley a 30% discount will apply to any landlord who is an existing member of the Council's Good Landlord and Agent Scheme. To be eligible for this discount a landlord must have applied and subsequently become accredited by the dates below..." (being prior to the start of the relevant designation). This clarifies that the 30% GLAS accreditation discount is available to the landlord, rather than the managing agent they may employ to act on their behalf, so to qualify you would need to be an existing GLAS member yourself.</p> <p>The aim of selective licensing is to improve management standards, and whilst the licence holder remains in their role for the term of the licence (unless of course the property is sold), an owner may change managing agents at any time, including to a non-accredited agent once the license had been granted. This could undermine our aim of ensuring consistent management standards across the board. I appreciate your views which will be considered as part of the consultation process, and hope this helps clarify why the relevant fee was applied.</p>
<p>18/11/18</p>	<p>Dear Selective Licensing Team, Thank you for your letter dated 3rd September 2018 on the above subject. I am very pleased that Burnley Council has offered Landlords a chance to have their say; however, I am sad to say I feel this opportunity to do so will as usual inevitably fall on deaf ears. There are so many rules and regulations, many of which I</p>	<p>Dear (NAME REDACTED), Thank you for taking the time to respond to the consultation about selective licensing. Regarding your view that the council do not listen to landlords, the Council have many forums in which we do listed to landlords; e.g. there is the landlord accreditation scheme, the six weekly private rented sector forum and the 6 monthly landlord evening that we</p>

agree are for the right reasons but many of which are red tape exercises which bear unnecessary high costs to decent hard working Landlords and have no benefit to either tenant or Landlord.

I have been a Landlady for over 20 years now with a reasonable portfolio of properties mainly in the Lancashire and West Yorkshire areas but in other council areas too and have seen many changes over the years. Many of the changes enforced upon Landlords have hit us hard. We have to adhere and pay for every authoritarian whim. Most of these as a result of poor management from unscrupulous and irresponsible Landlords whom I am certain are the minority, nevertheless it reflects upon the remaining decent, honest Landlords who are affected too.

I fully understand that there are certain areas within the Burnley Borough Council's remit that are undesirable and need assistance in trying to elevate themselves to a standard considered acceptable, but why should any of the expense to do so be targeted at the Landlord? I agree that irresponsible Landlords, i.e. permanently empty properties, lack of maintenance, lack of tenant understanding etc. should suffer the consequences of their neglect of diligence and duty to their tenant. I do not deem myself to belong to this category, but still seem to suffer every consequence the Government /council can throw at us.

I do only have one property in the Burnley Selective Licencing area; however from my experience of owning such property I see Selective Licencing as one of these costly unnecessary regulations which Landlords have no choice but to pay for, with expensive charges enforced upon them for no apparent visible benefit. My own feelings are that Selective Licencing in this area has not brought about any noticeable improvement; however I do not live there myself and cannot appreciate the day to day difficulties that are encountered in Cog Lane/Trinity, so I have taken the trouble to contact my tenant of 7 years who has lived on the same street all

hold. Landlords have been telling us that the Universal Credit Full Service is adversely affecting their business with increasing rent arrears. Subsequently we arranged for the Department of Work and Pensions (DWP) to attend a landlord evening to talk about the process, an officer of the DWP now sits on the private rented sector forum and workshops with landlords and the DWP have been delivered.

During previous selective licencing consultation events, landlords told us that paying by direct debit for the licencing fee would help, this was implemented: that a higher discount for accredited landlords would be welcomed, this was implemented; staged payments for the empty homes loans, this was implemented. These are just a few examples where we do listen and where we have been able to implement suggestions. It is not always possible to implement each suggestion given, but we will always try to explain decisions or why a suggestion can't be taken forward.

In relation to rogue and irresponsible landlords. I agree the criminal landlords are in the minority and through a range of multi agencies, using enforcement powers including selective licencing, we are working hard to stop them operating. There are many landlords that are not aware of their responsibilities, so risking the health, safety and welfare of their tenants as well as undermining responsible landlords and the reputation of the private rented sector.

Selective licencing is similar to any other licencing regime being operated across the country, whether that is taxi licencing, waste disposal licencing or public entertainment licencing. The licencing regimes are there to protect communities and visitors, manage public health risks and respond to public concerns. There are public concerns over the condition, management and reputation of the private rented sector in Burnley. Selective Licencing compels all landlords to work towards the same standards so that management practices and conditions meet the required legal requirements.

In an area of the Borough without selective licencing, 100 proactive

his life and raised his family there. His comments should therefore bear more weight and they are as follows:

'Selective Licencing is not working. He believes that the block he lives in is the best block in the street but nothing has changed in the area. Fly tipping is a weekly occurrence, a lot of the houses in the next block and others are boarded up. A corner house which the council spent £1000's on renovating was sold but has now again returned to being wrecked and un-lived in. The shops in the area have either stopped trading or have limited stocks due to thefts/burglaries. The shopkeepers are losing more money through this than they can make profit. Complaints are made to the Police but they seem unable to do anything. The area is as rough as it has ever been and if anything is getting worse'.

These are the comments from someone living in the Selective Licencing area, with no reason to be giving us anything other than an accurate account of day to day life at 'a grass root level.'

It therefore begs the question 'What exactly are we Landlords paying for?' Something beyond our control which is not working? I would wholeheartedly support the Licencing Scheme if there was a noticeable improvement in the area, but this appears not to be the case despite the Council's optimistic opening paragraph. In any other area of life/business a customer would not be expected to pay for a service which he/she is not receiving or which is not working/failing. Moreover I would be asking for my money back. I also think that to extend these licencing areas is unjust/unfair and a money making exercise for the council, unless there is clear evidence that such schemes are working.

Moving forward, if the schemes are enforced upon us I would hope to see a definite improvement in standards in the Trinity area. Maybe this could be addressed and a possible rethink/adjustment in Council Policy for licensed areas. Would surveillance cameras be effective? These have always been

property inspections showed that over 70% of the properties inspected did not have up to date gas safety certificates. One example of what selective licensing achieves is the insurance that all properties will have an annual gas safety certificate. Through the landlord training days, in the last year 100 landlords have attended and received up to date information on legislation and best practice to help them understand their responsibilities. Over 1000 properties have been inspected, and these inspections ensure that conditions are improved.

Overall the Trinity selective licensing area has seen a reduction in environmental crime and the number of empty properties. House prices have also risen marginally. Cog Lane in the Trinity area has and continues to be one of the most challenging areas in relation to anti-social behaviour. There have however been visible improvements through the physical regeneration activities that support selective licensing. Many of the blocks have been face-lifted, improving the aesthetic appearance of the street. New houses have been built at the bottom of Cog Lane all the way to Bruce Street. These properties are selling. Many long term empty properties were compulsorily purchased by the Council, renovated and re-sold although it is concerning to hear that one of these properties is again standing empty.

There continues to be spikes in mainly youth anti-social behaviour on this street. I would however suggest that without selective licensing, this ant-social behaviour would increase further and that there would not have been a fully coordinated approach with the Police, Anti-social behaviour officers, Landlords and Calico without the licensing regime in place.

Thank you for also taking the time to ask your tenant for his opinion of living in the area; it is disheartening to hear this and there is obviously more work to do in the Cog Lane area. Selective licensing is the only tool that can compel landlords to manage their tenancies, and more enforcement work will be undertaken to ensure landlords are carrying out thorough references. During the consultation there are mixed opinions in relation to the qualitative results. There are residents and

shunned and seen as 'Nanny state' but would this be something residents would welcome rather than shun if it was to make improvements to their living standards and help Police identify the criminals which thus far seem to be eluding detection? Should a questionnaire be sent to residents asking them how they would tackle the problem and give residents a voice to feel heard and want to actively help to improve their area? Would Police and/or support Officers pay special attention to these areas? (No doubt such resources can't be afforded thus enforced upon Landlords). Would a Neighbourhood Watch Scheme be of benefit, or a lost cause? Maybe if residents were given the chance to actively take part in something like a Neighbourhood Watch scheme, improving their own area they may take more pride and thus 'semi' Police it themselves. Anti-social behaviour will always exist and by monitoring one area, does this then oust the behaviour into a non-monitored area thus merely pushing the problems round. I would welcome some feedback on the above.

Yours Faithfully
(NAME REDACTED)

Dear Clare,
I am very pleased and heartened that you have taken the time to respond personally and comprehensively. Thank you. I can now see and accept that efforts are made to address the views of Landlords in many ways. I think however it is on the practical day to day running of a Tenancy/property that there is a bias most definitely in favour of the tenants. This is on aspects of the law which obviously are not controlled by the Council, but I do feel when I have had the odd involvement with the Council that the approach made to us as private Landlords in the form of the letters sent by you, the Council, has been/is overly heavy handed. It seems that it is geared towards an irresponsible, uncaring Landlord, which I feel we are not, and the tone of the letter immediately 'gets your back up,' especially when we work so hard at renovating and up keeping our properties and looking after the

landlords that believe that selective licensing is having a positive impact. The full results will be published in February 2019.

"It's very good to have selective licensing to keep the area properly managed and check that landlords let responsibly".

"Having selective licensing can only improve things. I have noticed the area improving with houses being renovated but then spoilt by having bad tenants put in, plus landlords that are not bothered as long as they get their rent".

"I think selective licensing should be continued. It is clear to see the improvements made to the area in the past few years and it would be a shame to risk letting the area slip to how it was before SL was introduced".

Thank you for your suggestions in relation to the potential reduction of anti-social behaviour. They will be looked into further. In relation to anti-social behaviour we have not seen significant increases in areas without selective licensing. What we are concerned about is that when a landlord evicts a tenant for consistent anti-social behaviour, another landlord accepts them as a tenant a few streets away. We are currently looking at how this can be prevented going forward. If you would like to discuss this further please do not hesitate to contact me to arrange a meeting.

Regards Clare

Thank you. I will look at our letters to see if it would be appropriate to "soften" the language.

Regards, Clare

<p>12/12/18</p>	<p>Tenants.</p> <p>I do note your offer of openness to meet if required. Thank you, if the need arises I will feel comfortable in approaching you. I am also quite happy to reciprocate if required.</p> <p>Many thanks, (NAME REDACTED)</p> <p>That's great Clare. I'm sure this would very much be appreciated by many Landlords, especially in our case where disrepair allegations have been made against us that have been unfounded. This same Tenant is almost 6 months in rent arrears. Enough said !!</p> <p>Thank you for listening.</p>	
<p>17/11/18</p> <p>Page 338</p>	<p>Dear Sir/Madam</p> <p>With reference to Burnley Selective Licensing I would like to say that I have not seen any benefit but it has added lots of cost. I do not want it to continue or to be extended.</p> <p>Thanks, (NAME REDACTED)</p>	<p>Dear (NAME REDACTED),</p> <p>Thank you for your response regarding the Selective Licensing consultation; we are sorry to hear that you have not yet experienced any benefit to the scheme.</p> <p>The aim of Selective licensing is to work with landlords to establish, improve and ultimately to enforce minimum property standards within the designated areas. The legislation gives us the authority to ensure that health and safety requirements are complied with, by requiring annual gas safety checks, Energy performance certificates and other documents, ensuring smoke alarms are fitted, repairs report procedures in place and managers who meet Fit & Proper criteria are equipped with the skills needed to enforce tenancy agreement breaches where required.</p> <p>We acknowledge that there is a fee associated with the application for a Licence, as with all publicly administered licensing regimes, The licensing regimes are there to protect communities and visitors, manage public health risks and respond to public concerns. There are public concerns over the condition, management and reputation of the private rented sector in Burnley. Selective Licensing compels all landlords to work towards the same standards so that management practices and conditions meet legal requirements as a minimum. It provides a position from which poor management practices may be questioned</p>

		<p>and challenged where they exist. The application fee is also subject to a number of discounts. This includes a 30% reduction for those accredited under the Council's own Good Landlords and Agents Scheme, (GLAS), reductions for additional properties and historically, an early application discount. Selective Licensing is a self-funded programme, so the application fees fund the scheme and the benefits that occur as a result. Many of these are aimed around providing support to landlords, including free training days, the ability to become accredited with the Council's own Good Landlord and Agents Scheme, help with tenant referencing and the placing and management of tenants, and support and advice from area officers. These incentives contribute to the skills and information that are needed to manage properties and tenants effectively and appropriately.</p> <p>Having said that, for a landlord applying at the start of a designation who is already accredited, the fee works out at £1.60 per week over the five year life of the designation, and landlords who already manage their properties to or above the required standards will have adequate procedures in place and carry out repairs promptly so should not incur additional costs as a result of an area being designated.</p> <p>I hope this addresses your concerns but if you do have any other questions, please do not hesitate to contact the Selective Licensing team.</p>
17/11/18	<p>Dear Sir/Madam</p> <p>I write with reference to the Selective Licensing consultation and want to let you know my thoughts on the subject, having several properties within the current Selective Licensing areas. Being a landlord who has spent many thousands of pounds on the refurbishment of my properties, I fail to see what difference paying this fee has made. A few of my houses have still been subject to vandalism, theft and abuse by tenants both living in the houses or whilst empty!</p> <p>I take pride in my houses and they are well looked after and maintained. For the most part I have happy tenants. For me, the Licensing fee has just meant extra expense in having to find a</p>	<p>Dear (NAME REDACTED),</p> <p>Thank you for your response regarding the Selective Licensing consultation. We appreciate that there is a fee associated with the application of a licence, as with all public licensing regimes. Selective Licensing is a self-financing programme, so the fees fund the scheme and the resulting benefits that arise for landlords, tenants and homeowners alike, and the Council is not allowed to make a profit from it.</p> <p>A considerable amount of support and training is tailored towards assisting landlords through Selective Licensing, including free training days, a tenant referencing service (a condition of all licences granted), advice from area officers and free membership of the Council's own</p>

letting agent as well as paying more overheads. I am not in favour of it going forward.
 Regards, (NAME REDACTED)

accreditation scheme (Good Landlords and Agents Scheme). Landlords who become accredited members of GLAS often opt to manage their properties themselves once accredited, thus avoiding the need to pay agency fees. They have also been previously eligible for a 30% discount on fees if they are already accredited at the time the designation come into place, and this initiative is highly likely to continue if the proposals go ahead.

Selective licensing has been developed in order to provide landlords with the information and skills needed to deal with tenants effectively, particularly where difficult property management issues such as anti-social behaviour, damage to property or criminal activity may be involved.

We also work alongside the Empty Homes team, who offer several initiatives to assist landlords burdened with empty properties. These include offering interest-free loans of up to £20,000, repaid over 10 years, to accredited landlords to renovate properties in the selective licensing area which have been vacant for at least six months. They are also able to pay the Licensing application fee for vacant homes (subject to meeting set criteria), where remedial work identified by us has been checked and approved.

In addition they have the authority to purchase and renovate a number of houses which are then sold, generating new market opportunities which will in turn build further confidence in the local community. They also deliver face lifting and painting schemes; all of these initiatives contribute to an improved aesthetic in the area, in turn increasing the attractiveness for future investors.

We acknowledge that there are still improvements to be made within the areas that have previously been subjected to Selective Licensing, and wish to build on the improvements already shown in order to sustain them in the longer term.. These include a steady increase in property values, reductions in anti-social behaviour and environment crime such as dirty back yards and fly tipping; hence why we are proposing that the selected areas are designated again.

I hope this addresses your concerns but if you have any further

		<p>questions, please do not hesitate to contact the Selective Licensing team.</p>
<p>16/11/18</p>	<p>We are being contacted by a number of media agencies in order to express our views from landlords' perspective with regard to our experience of Selective Licensing since 2008. We are also in receipt of your letter dated 13th November 2018 asking for our views. In your letter the second paragraph suggests an improving picture for a number of reasons and we would be grateful if you could provide us with some more specific data relating to the various Licensing areas:-</p> <ul style="list-style-type: none"> • House price rises specifically in those areas compared with rises in Burnley overall • The reduction in empty properties year on year since 2008 (not including demolition) • The reduction in anti-social behaviour • The reduction in environmental crime • The reduction in general crime 	<p><u>House Prices</u></p> <p>The house prices in Selective Licensing areas are lower when compared to the rest of the ward in which they are situated, as well as the rest of the Borough. However, whilst under Selective Licensing, average house prices for these areas have increased; unlike in the rest of the Borough where they have generally decreased. Between 2009 and 2017, house prices within the Borough of Burnley have decreased from £94,930 to £88,187.</p> <p>Looking at Trinity's Selective Licensing area, house prices have increased from £31,814 in 2013/14 to £39,011 in 2016/17. Within Trinity's second designation an increase of approximately £7000 has been experienced. This trend contrasts with the remainder of the Trinity ward, In the Gannow designation area, house prices have increased from £40,599 in 2013/14 to £44,311 in 2016/17. The rest of Gannow has also experienced an increase in its house prices. In the same time frame, house prices have increased from £82,920 to £88,412. Similar results have been experienced in the Queensgate Selective Licensing area. House prices within the designation area have increased from £37,498 in 2013/14 to £42,743 in 2016/17. The rest of the ward has also experienced increased house prices. In 2013 the average house price in Queensgate was as low as £46,233 and by 2017 this had increased to £58,306.</p> <p><u>Empty Properties:</u></p> <p>The number of empty properties has decreased within the areas that have been subjected to Selective Licensing. Since 2010 (which is where our figures began regarding empty properties), empty properties within Trinity's designation area have decreased from 18% to 14% by 2017.</p> <p>2010- 18% 2011- 16% 2012- 20% 2013- 20% 2014- 20%</p>

		<p>2015- 16%</p> <p>2016- 16%</p> <p>2017- 14%</p> <p>Since Gannow's first designation under Selective Licensing in 2014, empty properties have decreased from 14% to 13% in 2017.</p> <p>2010- 12%</p> <p>2011- 12%</p> <p>2012- 13%</p> <p>2013- 14%</p> <p>2014- 14%</p> <p>2015- 12%</p> <p>2016- 14%</p> <p>2017- 13%</p> <p>Since 2014, when Queensgate was first subject to Selective Licensing, the proportion of empty properties has decreased from 14% to 12% in 2017.</p> <p>2010- 17%</p> <p>2011- 16%</p> <p>2012- 15%</p> <p>2013- 16%</p> <p>2014- 14%</p> <p>2015- 10%</p> <p>2016- 14%</p> <p>2017- 12%</p> <p>There has been a steady decrease in the number of empty properties within all designation areas. We acknowledge that there are still improvements to be made in terms of the number of empty properties, and believe that with a further 5 year designation these figures will improve. The Selective Licensing team works closely with the Empty Homes team who offer a number of initiatives to help reduce this issue. These include the purchase of a number of properties for renovation and resale, assistance with interest-free empty homes loans of up to £20,000 and other improvement schemes such as face lifting, painting etc.</p> <p><u>Anti-Social Behaviour</u></p>
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Anti-social behaviour incidences have generally decreased in Selective Licensing areas.

Within the Trinity designation area in 2013, a total of 308 reports were made to the police; this had decreased to 294 reports in 2017. We believe that further improvements are needed to be made in terms of anti-social behaviour in Trinity. We aim to extend our services with a further 5 year designation by continuing our partnership work with the police, housing associations and other relevant agencies.

Numbers of anti-social behaviour reports to the police in Gannow increased from 135 in 2013 to 200 in 2014, when Selective Licensing was initially introduced. This decreased to 155 reports in 2017. Reports to the Council of anti-social behaviour have decreased by 29% under Selective Licensing.

Queensgate's designation area has experienced a significant improvement in terms of the number of anti-social behaviour reports made. In 2013, 474 reports were made to the police concerning this matter, whilst 2017 saw a 43% reduction to 269 reports.

By continuing our partnership work and providing support, advice and close area monitoring, we aim to reduce incidences of anti-social behaviour. Officers from the Selective Licensing team meet regularly with the Neighbourhood Policing team, Anti-Social Behaviour Officers and Registered Social Landlord Officers to share information regarding concerning behaviour and properties to help resolve issues. The Selective Licensing team will contact the relevant landlord if any issues of this nature arise. The landlord is then empowered to take action under their tenancy agreement terms, as ensured by the application process. Alongside this, frequent resident drop-in sessions are available to report any concerns which will be investigated.

Environmental Crime

Reports of environmental crime in Trinity's second designation have decreased. In 2014, 316 reports were made and by 2016/17 this had reduced to 278.

Similarly, Gannow's designation area has experienced a reduction in the number of environmental crime reports. In 2014/15 266 reports were made; this decreased to 172 in 2016/17.

Queensgate has witnessed a significant improvement in terms of the

		<p>number of environmental crime reports made. In 2014/15 this was as high as 419 incidences, whereas by 2016/17 this had reduced by 29% to 298 reports.</p> <p><u>Crime</u></p> <p>Selective Licensing cannot take responsibility for all crime committed within an area. Information on these specifics (which is not broken down into Selective Licensing areas) is available at http://www.saferlancashire.co.uk/2011/statistics/index.asp</p> <p>We trust that the information that has been provided is sufficient. If you have any further questions please do not hesitate to contact the Selective Licensing team.</p>
15/11/18	<p>Further to your letter of the 13th November 2018, we attended the Landlords Consultation evening on the 2nd October and expressed our views.</p> <p>Our opinion is that Selective Licensing has not improved the area of Queensgate where we manage a property, and do not think that a further 5 years will help. It will only incur an additional cost to the landlord. We had an empty property for over 12 months and could only find a tenant by reducing the rent to an 'under market' value. We did not get any help or advice from the Selective Licensing team.</p> <p>(NAME REDACTED), Letting Agent</p>	<p>Dear (NAME REDACTED),</p> <p>Thank you for your feedback regarding Selective Licensing in the Queensgate area. The Queensgate area has experienced a number of improvements throughout the recent Selective Licensing designation. In 2013/14, when licensing was initially introduced, house prices averaged approximately £37,498. Comparatively, house prices in 2016/17 had increased on average to £42,743. Alongside this, the number of empty properties has decreased within this period, from 232 to 204. Incidents of anti-social behaviour have also fallen by approximately half. These figures depict that the conditions in Queensgate have improved significantly; however we appreciate that there are still further improvements to be made. Without an additional 5 year re-designation of Selective Licensing, there is a risk that those already made will not be sustained.</p> <p>The application fee that is associated with obtaining a Licence is used to run the scheme and provides a number of benefits to landlords. Training days, referencing assistance, Good Landlord and Agent Scheme membership and support and advice from area officers are all available to help with the management of properties and tenants.</p>
15/11/18	<p>Selective licensing team</p> <p>I am writing to you in response to your request for views on the ongoing licensing of the Trinity area where I own two properties in Cog Lane. I do agree that the area has improved in the last few</p>	<p>Dear (NAME REDACTED),</p> <p>Thank you for responding to our Selective Licensing Consultation regarding the Trinity area of Burnley. We are glad that you have experienced an improvement in the area in terms of empty properties</p>

	<p>years: there are less boarded up properties and the area seems tidier.</p> <p>However I have to say that the amount charged for this license is an enormous financial burden on landlords. I consider myself to be responsible and I respond fairly and promptly to requests for landlord assistance from tenants. This year in one property I have undertaken damp work and fitted a new kitchen. I appreciate that the value of my property benefits from this but as I am in this for the long term I think you would agree that it is more about a balanced approach to landlords than my own short term interests.</p> <p>I will not be buying more properties in the area whilst this licensing policy continues. A system where landlords could claim back the licensing fees for work done on a property, or subsidies to complete repairs may change my mind on that.</p> <p>It has become quite fashionable to kick landlords. Whilst I acknowledge that there are rogues in the business most I know maintain decent and balanced approaches and would make good partners in the raising of standards in target areas such as Trinity. I hope these comments are of use to your team.</p> <p>Kind regards, (NAME REDACTED)</p>	<p>and the general aesthetic.</p> <p>We appreciate that there is a fee linked to the application of a licence, and that this may seem a considerable sum to landlords when added to the costs of repairs and maintenance etc. Selective licensing is a self-financing project, so all monies received from application fees are ring-fenced to the scheme and its associated area improvement initiatives; the council is not permitted to make a profit from it. The licensing legislation allows local authorities to fix their own charging structure and we have endeavoured to keep the fee as low as possible; it compares favourably to the fees attached to similar schemes in other Selective licensing areas. We offer additional discounts to landlords accredited under our Good Landlord and Agent Scheme (GLAS), as well as a discount for applications returned early. For an accredited and previously licensed landlord who returns their application within three months of the designation coming into force, the proposed fee works out at £1.42 per week for a five year licence. We also allow landlords to pay by direct debit over a 24 month period to help spread the cost. You suggest that landlords should be able to claim back the fee if repairs are done to the property; however we have to consider that this may encourage landlords with poor management practices to defer necessary work in order to claim back fees.</p> <p>Selective licensing is designed to compel landlords to engage with officers and to have appropriate management standards in place. The legislation does not facilitate the targeting of “bad” landlords; it is based on an area and any landlord operating within it has to apply for a licence. The 30% fee discount offered previously shows we recognise there are good landlords already operating in these areas. Although there are many good, responsible landlords, the reputation of the private rented sector in Burnley is one of poor quality with poor management practices. Working with landlords, tenants and managing agents we want to improve the reputation of the sector and raise property standards so it is tenure of choice.</p>
14/11/18	<p>Hi there</p> <p>Thanks for the meeting. I would like to add on to the suggestions</p>	<p>Dear (NAME REDACTED),</p> <p>Thank you for responding to the consultation regarding Selective</p>

we gave. My suggestion is that once the licence expires, it shouldn't be renewed because those houses are already in good condition; the council should focus on other properties in other areas and should ask those landlords who don't have licenses and whose properties are not being used. This way the council can support the existing landlords.
 Thanks
 Kind regards, (NAME REDACTED)

Licensing in Burnley, and for sharing your suggestions. The maximum period of time that an area can be designated for under Selective Licensing is 5 years at a time; the licence is valid for this entire period. When the designation ends, if a new designation for Selective Licensing is granted, each licensable property must apply for a new licence to ensure that property and management standards are maintained. Without applying for a new licence, we cannot guarantee that these standards will continue to be met.

The fee that is associated with applying for a licence is needed to implement the scheme, issue the licences, enforce non-compliance and monitor the areas. The Council is not permitted to make a profit from this, and funding goes into providing a service for landlords, tenants and homeowners alike. The Council offers various methods of support for landlords to help them manage their properties and deal with any issues that may arise within their tenancies. The application fee is also subject to a number of discounts. These are aimed at making the fee as manageable as possible, particularly for good landlords. For landlords that have been previously licenced, a significant discount is available. Alongside this we also offer a 30% reduction for those accredited under the Council's own Good Landlords and Agents Scheme, (GLAS) and have historically offered an early application discount. As a result, the application fee for Selective Licensing in Burnley is comparatively low when considering other Councils operating the scheme nationwide.

The Selective Licensing legislation does not give us the ability to distinguish between types of landlords, but is an area based scheme, so all landlords within a designated area required to have a licence. It is also a long-term scheme that is aimed at improving characteristics of low demand in areas with high proportions of privately rented properties. It does this by addressing management standards and raising them to ensure that any problems within the property and throughout the tenancy can be dealt with effectively and efficiently. The scheme does not offer a 'quick fix' solution to the issues associated. To ensure any improvements that are made under Selective Licensing are long-term, the scheme needs to be sustained. By alternating the areas

		<p>that are subjected to Selective Licensing as you suggest, we risk the improvements already made in property condition and management in the private rented sector not being standardised.</p> <p>Landlords that do not meet the required standards under Selective Licensing are encouraged to improve or face being unable to operate within these areas. The Council may refuse or revoke a licence and issue a Civil Penalty or Prosecution for non-compliance and breaching the conditions of their licence. Compliance rates are considerably high at approximately 94- 98% for those who are required to have a licence. Regular checks are conducted and all areas are closely monitored to gauge property turnover and licensing status.</p> <p>Those responsible for long-term empty properties are subjected to an additional Council tax of 150% in order to deter them from leaving properties unoccupied. We appreciate that empty properties have a significant negative impact on an area's aesthetic appearance, and are likely to attract anti-social behaviour and environmental crime. The Council offers a number of initiatives in regard to Empty Properties. The Empty Homes team, who work closely with the Selective Licensing team, are able to purchase a number of properties per year for renovation and resale with the hope of bringing them back in to use. They also offer interest free loans of up to £20,000 for longer-term empty properties.</p> <p>The Council does aim to support landlords, encouraging them to offer good management practices by providing support and advice, a tenant reference checking service and Landlord Development days. This aims to provide the necessary skillset and support for any issues that a landlord may encounter throughout any tenancy. I hope this has addressed your concerns, but if you have any further queries please do not hesitate to contact us.</p> <p>Kind regards,</p>
14/09/18	To whom it may concern, Thank you for your letter dated 7 September 2018. Before I can make a valid response, could you please provide some	Hello, The statement of case for selective licensing can be accessed via the link below. This contains all of the statistics for each proposed designation

evidence for your assertion that 'There is an improving picture within these areas with moderate rises in house prices, reducing empty properties and anti-social behaviour (sic) along with environmental crime showing a downward trend'? I look forward to your response. My property is in the Duke Bar area of Burnley.
Yours faithfully, (NAME REDACTED)

area:

[Selective Licensing Proposal document](#)

For example:

Gannow started July 2014

At the start of selective licensing 134 homes were empty, in 2017 this had reduced to 124 (13 %) but this is still a lot higher than borough-wide (6%).

The average house price has increased from £40,599 in 2014 to £45,339 in 2017. Despite this increase, it is still low when compared to the borough average of £88,187

In 2014 there were 266 reported dirty back yards, this had reduced to 172 in 2017.

Queensgate started July 2014

At the start of selective licensing 232 homes were empty, in 2017 this had reduced to 204 (12 %) but this is still a lot higher than the borough average (6%)

The average house price has increased from £37,498 in 2014 to £42,743 in 2017. Despite this increase, it is still low when compared to the borough average of £88,187

In 2014 there were 419 reported dirty back yards this had reduced to 298 in 2017

Trinity started Jan 2014

At the start of selective licensing 280 homes were empty, in 2017 this had reduced to 200 (14%) but this is still higher than the borough which is 6%

The average house price has increased from £31,814 in 2014 to £39,011 in 2017. Despite the increase this is still low when compared to the borough average of £88,187

In 2014 there were 380 reported dirty back yards; this had reduced to 278 in 2017.

If you require any further information do not hesitate to contact me.
Regards, Clare

	<p>Dear Licensing Team</p> <p>I am the owner of a property in the Trinity area and I email you with my thoughts. The License is an additional cost for the landlord but the benefits are largely for the tenant. Unless the license also offers benefits to the landlord, I would be against continuing Licensing in the trinity area. The benefits to the landlord could include help with tenants who do not look after the property and tenants who do not pay rent on time.</p> <p>Regards, (NAME REDACTED)</p>	<p>Dear (NAME REDACTED),</p> <p>Thank you for your response regarding Selective Licensing in the Trinity area.</p> <p>We acknowledge that there is a fee associated with the application for a Licence; this does however fund the scheme and the benefits that occur as a result. Many of the benefits are aimed around providing support to landlords. Landlords are offered free training days, the ability to become accredited with the Council's own free Good Landlord and Agents Scheme, help with tenant referencing, and support and advice from area officers. These incentives contribute to the skills and information that are needed to manage properties and tenants effectively and appropriately.</p> <p>Having said that, Selective Licensing is designed to deal with and improve the management of properties to help ensure that standards are the same across the private rented sector. It favours neither tenant nor landlord, but provides a position from which poor management practices may be questioned and challenged where they exist. I hope this has assisted with your concerns, but if you have any further questions then please do not hesitate to contact the Selective Licensing team.</p>
09/18	<p>Dear Property Licensing officer,</p> <p>Thank you for informing council decision, further taxation increase on property owners, namely licensing fee demand. Council/state police of over taxation hiking up rent & contributing to unaffordable housing problems and hardship on working class tenants/cost of living. Result in system use & abuse for rent payment avoidance is at an all-time high in Burnley. Crimes & illegitimate business are reflections of this; fight for survival, without limitation/halt on tax demand increases this human degradation is set to continue. Council's empty property 150% council tax has pro-longed my refurbishment to years after each break inns & property value has gone down. Number of properties on market has gone up three fold & buyers/investors are fraction of what it was before introduction and enforced 150% empty</p>	<p>Dear (NAME REDACTED),</p> <p>Thank you for responding to the questionnaire that was sent out regarding the Selective Licensing consultation.</p> <p>We acknowledge that there is a fee associated with the application of a Licence. This does however have a number of benefits for tenants, landlords and homeowners alike. With landlords we are able to offer free training days, advice and support from area officers, tenant referencing and free membership of the council's own accreditation scheme (Good Landlords and Agents Scheme). Selective Licensing has been developed in order help provide landlords with the information and skillset to deal with any anti-social behaviour or criminal activity appropriately.</p> <p>There has been no evidence of increased rent for tenants within the</p>

	<p>property tax & in the long run fewer people will invest in properties result in much higher rent, poor quality accommodations.</p> <p>I request to be listed for landlord meeting on Tuesday 2nd October 2018.</p> <p>Yours faithfully, (NAME REDACTED)</p>	<p>areas that have been previously subjected to Selective Licensing and generally house prices have risen, which is positive for investors.</p> <p>The 150% Council Tax that is associated with long term empty homes was introduced as an initiative to deter people from leaving properties unoccupied for lengthy periods of time, as this has a negative impact on the areas' appearance and attractiveness for future investors. We do not operate Selective Licensing in isolation; it is part of a wider regeneration programme. The Council's Empty Homes Programme, works with Selective Licensing to reduce empty properties and may be able to offer financial assistance with empty properties in Licensing areas.</p> <p>If you require any further information about the empty property initiative, please contact us on 0282 425011 extension 3191.</p>
<p>07/09/18</p> <p>Page 350</p>	<p>Hello</p> <p>Thank you for your letter dated 3 Sept 2018 regarding the above. I am unable to access the online survey so am responding via email.</p> <p>I am a home owner in the Gannow area and fully support the renewal of the Selective Licensing. Although the figures you quote do not show a dramatic improvement I can say that the lived experience of being a resident in the Gannow area has improved.</p> <p>It seems that there is less anti-social behaviour. This could be due to landlords feeling the financial pressure and being more careful about their choice of tenants. It appears that the 'bad' landlords that were less choosy seem to have gone. A consequence seems to be that they have left some properties empty, neglected and decaying, on Penistone Street in particular. This is a major concern for me because I live in full view of the eyesores on a daily basis.</p> <p>Many thanks again for including me in the consultation.</p> <p>Regards, (NAME REDACTED)</p>	<p>Thank you for responding to the questionnaire regarding Selective Licensing in the Gannow area, and please accept our genuine apologies for the delayed reply – an unfortunate combination of workload, staffing changes and an office move! We are pleased to hear you consider that the area is experiencing improvements as a result of Selective Licensing.</p> <p>Your concerns regarding the continuing issue of the number of empty properties in the area are noted and shared. We are currently working on several initiatives to try to bring these empty properties back into use. Firstly, we are in partnership with Calico Housing with the aim of acquiring empty homes for re-use. Secondly, The Council's own Empty homes team run several initiatives working alongside the Selective Licensing team, including offering interest-free loans of up to £20,000 to accredited landlords to renovate properties in the selective licensing area which have been vacant for at least six months. They are also able to pay the Licensing application fee for vacant homes (subject to meeting set criteria), where remedial work identified by us has been checked and approved.</p> <p>In addition they have the authority to purchase up to 20 houses per year, which are then renovated to a good standard and resold, generating new market opportunities which will in turn build further</p>

		<p>confidence in the local community. They also deliver face lifting and painting schemes; all of these initiatives contribute to an improved aesthetic in the area, in turn increasing the attractiveness for future investors. Council tax rebates of six months are also available to accredited landlords when a vacant property is bought back into use.</p> <p>Thank you for taking the time to provide positive feedback on the scheme, which is always appreciated.</p> <p>Regards</p>
<p>22/10/19</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 351</p>	<p>Meeting with a landlord to discuss the selective licensing conditions for Burnley. The landlord raised concerns about certain conditions.</p>	<p>15/01/2019</p> <p>Thank you for making representations as part of our recent consultation into the designation of four selective licensing areas in Burnley. Your comments regarding the proposed licence conditions have been considered, and as part of a wider review of the conditions we comment as follows:</p> <p>Regarding Condition 6 relating to ensuring the property is in good repair, the Council has proposed to amend the wording of this condition to avoid any ambiguity. The proposed wording will encompass ensuring a property is free from disrepair when it is first let, and that any disrepair is dealt with in a timely manner once the licence holder is made aware of it.</p> <p>The Council has decided to remove Condition 9 requiring licence holders to provide occupants of the Property with user manuals for appliances provided by the landlord.</p> <p>The Council has decided to remove Condition 11 relating to unlawful discrimination as we are able to take action against this under existing legislation.</p> <p>Condition 13 regarding the requirement of landlords/their agents as appropriate to attend a development day will remain unchanged. This is because the landlord does not absolve their legal responsibilities by employing a managing agent. Attendance at the development day ensures landlords are fully aware of their</p>

responsibilities, and enables them to ensure their manager is acting appropriately.

Condition 15 regarding regular visits to the Property will remain unchanged as the Council believes this is appropriate management.

Conditions 17, 18 and 19 regarding water supply, drainage, electricity and gas provision remain unchanged; the Council believes they are appropriate management arrangements, and that they are not duplicated by other legislation.

Conditions 21-24 will remain unchanged; the Council believes these conditions constitute appropriate management arrangements. Condition 25 regarding the provision and awareness of refuse storage and collection remains unchanged.

Condition 29 regarding the ending of a tenancy following anti-social behaviour remains unchanged.

Condition 30 regarding providing the Council with the names and dates of birth of tenants has been removed.

Condition 32 regarding the provision of free of charge references remains unchanged. The Council believe this is an appropriate and important part of tackling low housing demand caused by anti-social behaviour within the selective licensing areas of Burnley.

Thank you for taking the time to make representations. If you have any queries regarding the above please don't hesitate to contact us.

Appendix B - Fee and Charging Structure for the Implementation of Selective Licensing

Introduction

1. Part 3 of the Housing Act 2004 outlines that the Authority may require the application to be accompanied by a fee fixed by the authority.
2. The Authority is not permitted to make a profit from the introduction of Selective Licensing programme and any surplus must be ring-fenced for use on the scheme. The fees should, however, take account of all costs incurred in administering selective licensing schemes.
3. Recent case law in relation to the European Services Directive requires local authorities to separate out the cost of processing an initial application from those costs associated with the ongoing administration of a scheme.
4. All fees are payable in two stages, at the application stage and upon granting the licence.
5. The fee structure will be reviewed annually.

Role of charging structure

6. The purpose of this document is to establish a transparent charging policy.
7. Applications will be charged the full amount to accompany the application form. At the Council's discretion a payment plan or direct debit may be established to agree to payments to be made over an agreed period of time.

Reduced Fees

8. Applications for licences in the last six months of the designation will be eligible for a reduced fee of 50%, this is where properties have not been licensable prior to the 6 month deadline.
9. Applications for a property during the designation will be based on the agreed fee structure.
10. Licenses are non-transferrable. Applications resulting from a change in ownership of a licensed property will be charged the full standard fee.

Fee Reimbursements

11. Applications will be charged the full amount; payment is to accompany the application form. At the Council's discretion a payment plan may be established to agree to payments to be made over an agreed period of time, any such plan/agreement can only be repaid by direct debit.
12. A fee will not be reimbursed if a property is sold before the end of the designation area.
13. Where a licence is refused or revoked, the applicant or licence holder will not be entitled to any refund of fees and will still be required to pay any outstanding charges linked to the application.

Fee Amounts

14. The structure is based on;

- a) The staff time taken to administer the selective licensing schemes along with overheads and recharges.

Fee Discounts

An accredited landlord will be entitled to a 30% discount; a landlord must be accredited at the time of the designation areas come into force.

A discount of £100 will be applied to the overall application cost of the fee if the applicant submits a fully completed application form and all requested documentation within 3 months of the designation area coming into force. Payment must be received in full or a direct debit payment plan agreed. Failure to continue to make the annual direct debit payment will result in the loss of the early application discount.

Payment Methods

15. Payment in full should be made with the application documents.
16. Where the applicant experiences difficulty in paying the full amount, a payment plan may be agreed, enabling the full amounts to be paid in instalments, at the Council's discretion any such plan/agreement can only be repaid by direct debit.

Fee

Application with one property	£750
Additional property	£670
Accreditation Discount	30%
Early Application Discount	£100

Fee Examples

An accredited landlord with 1 property submitting their application within the first 3 months:

£425 due on application. (application fee with the 30% discount and £100 discount)

An Accredited landlord with 1 property who does not submit their application within the first 3 months:

£525 due on application (application fee with the 30% discount)

A non accredited landlord who does not submit their application within the first 3 months:

£750 due on application

An Accredited landlord with 2 properties submitting their application within the first 3 months:

£894 due on application (application fee plus 1 additional property fee with the 30% discount and £100 discount)

An Accredited landlord with 2 properties who does not submit their application within the first 3 months:

£994 due on application (application fee plus 1 additional property fee with the 30% reduction)

A non-accredited landlord with 2 properties who does not submit their application within the first 3 months:

£1420 due on application.

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Selective Licensing

Appendix C – Staffing Structure

Trinity, Gannow, Queensgate, Daneshouse and Stoneyholme

	Yr1	Yr2	Yr3	Yr4	Yr5
PO	1.000	1.000	1.000	1.000	1.000
PA	4.000	4.000	4.000	4.000	2.000
Admin	5.000	4.000	2.000	2.000	1.000

Based on this structure, recruitment is required for 2.5 Project Assistances and 3 Administration Officers.

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Appendix D



BURNLEY BOROUGH COUNCIL
SELECTIVE LICENCE CONDITIONS

In these conditions, “Property” is meant to refer to the building or part of a building, which is licensed under Part 3 of the Housing Act 2004 (“the Act”). “Authority” is meant to refer to the Local Housing Authority, namely Burnley Borough Council.

Housing Act 2004 Mandatory Conditions

1. If gas is supplied to the Property, the Licence Holder must produce to the Authority annually for their inspection, a Gas Safety Certificate obtained in respect of the Property within the last twelve months.
2.
 - i. The Licence Holder must keep electrical appliances and furniture provided by him in the Property in a safe condition; and
 - ii. Must supply to the Authority on demand a declaration made by him as to the safety of such appliances and furniture
3. The Licence Holder must
 - i. Ensure that a smoke alarm is installed on each storey of the house on which there is a room used wholly or partly as living accommodation and to keep each alarm in proper working order, and
 - ii. Supply to the Authority on demand a declaration made by him as to the condition and positioning of such alarms.
- 3a To ensure that a carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance and to keep any such alarm in proper working order and to supply the authority on demand with a declaration by him as to the condition and positioning of any such alarm.
4. The Licence Holder must provide each occupier of the Property with a written statement of the terms and conditions on which they occupy the Property (“the Tenancy Agreement”).
- 5 a) If any person allowed by the Licence Holder to occupy the Property shall have been a tenant under a tenancy of any other property then, prior to that person being allowed to occupy the Property, the Licence Holder shall have obtained from that person formal identification and shall have taken reasonable steps to obtain a

satisfactory written reference (or at least two satisfactory references in a case where such person has previously been a tenant of more than one other property) which reference (or references) shall include details of how that person conducted any such tenancy (or tenancies) in terms of causing nuisance, anti-social behaviour, payment of rent and any breaches of the tenancy agreement(s).

- 5 b) The reference(s) referred to in 5 a) above shall be in relation to the tenancy or, where the said person has previously been a tenant of more than one property, the two tenancies immediately preceding their occupation of the Property.
- 5 c) A copy of the said reference(s) must be provided to the Authority within 14 days of receiving a request to do so in writing by the Authority.

Housing Act 2004 – Prescribed Conditions

Management of the licensed Property

6. The Licence Holder must ensure that there are management procedures in place, and effectively utilise said procedures, to ensure that the Property:
- i. Is in good repair and safe to live in before a tenancy is granted; and
 - ii. Remains free from disrepair during the tenancy, and that once the licence holder is made aware of any disrepair, repairs are made within a reasonable time period.
7. The Licence Holder must ensure the occupiers of the Property have been provided with details of the following:
- Name of the Licence Holder;
 - A contact address and daytime telephone number;
 - An emergency contact number.
- An emergency contact telephone number for the Licence Holder and/or Management Agency shall also be available and notified to the Authority if not already done so.
8. The Licence Holder must ensure that occupants of the Property receive written confirmation detailing the arrangements that have been put in place to deal with repair issues and emergencies should they arise.
9. The Licence Holder must arrange to undertake a detailed inventory to be agreed with each occupant upon commencement of their occupation of the Property and to be kept on file by the Licence Holder at the Licence Holder's business address.
10. The Licence Holder must act lawfully and reasonably in requiring any advanced payments from occupiers, in handling rents, in returning deposits and in making deductions from deposits. The Licence Holder must provide any occupiers or prospective occupier with the following information:
- The amount of rent payable
 - The details of any deposit required

- Details of what the deposit covers, the deposit scheme it has been deposited into (within 14 days) and arrangements for return
- The frequency of payments
- The details of any utilities or other charges included in the rent
- The responsibility for payment of council tax
- The responsibility for payment of utilities and arranging provision of such.

11. The Licence Holder (and their agent where an agent has been appointed) must attend one Landlord Development Day covering how to manage tenancies during the period in which the licence is in force and must undertake any additional Property management training courses that the Authority from time to time requires to be undertaken. Alternatively demonstrate to the Local Authority that similar, relevant training has been undertaken within the preceding 12 months.
12. The Licence Holder must inform the licensing team of the Authority within ten working days of any substantial changes in their circumstances which would affect the management of the Property, namely;
- i) Details of any unspent ¹convictions not previously disclosed to the Authority that may be relevant to the Licence Holder and/or the Property manager and their fit and proper person status and in particular any such conviction in respect of any offence involving fraud, dishonesty, violence or drugs or any offence listed in Schedule 3 to the Sexual Offences Act 2003;
 - ii) Details of any finding by a court or tribunal against the Licence Holder and/or the Manager that he/she has practised unlawful discrimination on grounds of sex, colour, race, ethnic or national origin, religion, sexual orientation or disability in, or in connection with, the carrying on of any business;
 - iii) Details of any contravention on the part of the Licence Holder or Manager of any provision of any enactment relating to housing, public health, environmental health or landlord and tenant law which led to civil or criminal proceedings resulting in a judgment or finding being made against him/her;
 - iv) Information about any property the Licence Holder or manager owns or manages or has owned or managed for which a local housing authority has refused to grant a licence under Part 2 or 3 of the Act, or has revoked a licence in consequence of the Licence Holder breaching the conditions of his/her licence;
 - v) Information about any property the Licence Holder or manager owns or manages or has owned or managed that has been the subject of an Interim or Final Management Order under the Housing Act 2004;
 - vi) Change in Managing Agent or the instruction of a Managing Agent.

¹ The Rehabilitation of Offenders Act 1974 enables some criminal convictions to become 'spent', or ignored, after a 'rehabilitation period'. A rehabilitation period is a set length of time from the date of conviction. After this period, with certain exceptions, an ex-offender is not normally obliged to mention the conviction when applying for a job or obtaining insurance, or when involved in criminal or civil proceedings.

13. The Licence Holder and/or their Manager are required to visit the property within three to six months of the commencement of the tenancy and thereafter annually. A record of these visits must be kept available to the Authority on request.
14. The Licence Holder must inform the Authority of any information that comes into their possession that suggests that a person(s) involved with the management of the Property are not “fit and proper persons” for the purposes of the Act.
15. The Licence Holder must take steps to ensure that the water supply and drainage system serving the Property is kept clean and maintained in good repair and proper working order.
16. The Licence Holder must not unreasonably cause or permit the water supply or drainage system that is used by the occupiers of the Property to be interrupted.
17. The Licence Holder must not unreasonably cause or permit the gas or electricity supply that is used by the occupiers of the Property to be interrupted.
18. Where there are alley gates installed to the rear of the licensed Property, the Licence Holder must:
 - Take responsibility for holding a key for any alley gates, which are in place or installed; and
 - At the time of letting, provide all new tenants with a key for the alley gates.
 - Ensure that any tenant during their occupancy of the Property is aware of the requirements of the alley gating scheme.

Safety and Security

19. Where window locks are fitted, the Licence Holder must ensure that keys are provided to the occupant.
20. Where previous occupants have not surrendered keys, the Licence Holder must arrange for a lock change to be undertaken, prior to new occupants moving in.
21. The Licence Holder will ensure the front and rear doors of the Property are secure and fitted with good quality locking systems.
22. Where a burglar alarm is fitted to the Property, the Licence Holder will ensure the code is changed at the beginning of each new tenancy and that the occupant is informed of the new code.

Environmental Management and Amenity of the Neighbourhood

23. The Licence Holder shall ensure that suitable and adequate provision for refuse storage and collection is made at the Property and that the Authority’s arrangements for refuse collection including recycling are made clear to the tenant. This shall include the provision of closable bins of suitable capacity as specified by the Authority. Arrangements shall be made immediately for the proper collection and disposal of any rubbish additional to that within the bins. The Licence Holder shall ensure that all tenants are aware that all refuse containers are to be returned within the curtilage of the Property on the same day that they are emptied by the Authority.

24. The Licence Holder must ensure that the tenant is aware of their responsibility to keep yards, forecourts and gardens surrounding the Property in a clean and tidy condition.

Preventing and Reducing Antisocial Behaviour

25. The Licence Holder must take all reasonable and practicable steps for preventing and dealing with antisocial behaviour. The Licence Holder and/or his manager must undertake a reasonable and effective investigation of any complaints which have been made either directly to them, or via the Authority, regarding their occupiers. For the purposes of these conditions, antisocial behaviour is defined as behaviour by the occupants of the Property and/or their visitors, which causes a nuisance and/or harassment, alarm or distress to other occupants of the Property, to lawful visitors to the Property or to persons residing in or lawfully visiting the locality of the Property.

26. The Licence Holder must ensure that any tenancy agreement or written statement of the terms and conditions of which the house is occupied issued in relation to the Property contains reasonable clauses allowing the licence holder or their appointed representative to address any instances of anti-social behaviour by the tenant or the tenant's visitors. The licence holder must ensure that all occupants are aware of the existence of this clause.

27. Where tenants and/or their visitors have been found to have caused anti-social behaviour, the Licence Holder must make clear to the tenant with verbal and written warnings as appropriate that further instances of anti-social behaviour will not be tolerated. Should the tenant and/or their visitors continue to cause anti-social behaviour the Licence Holder must utilise the clauses of any written agreement under which the tenant occupies the Property to legally end the tenancy where appropriate.

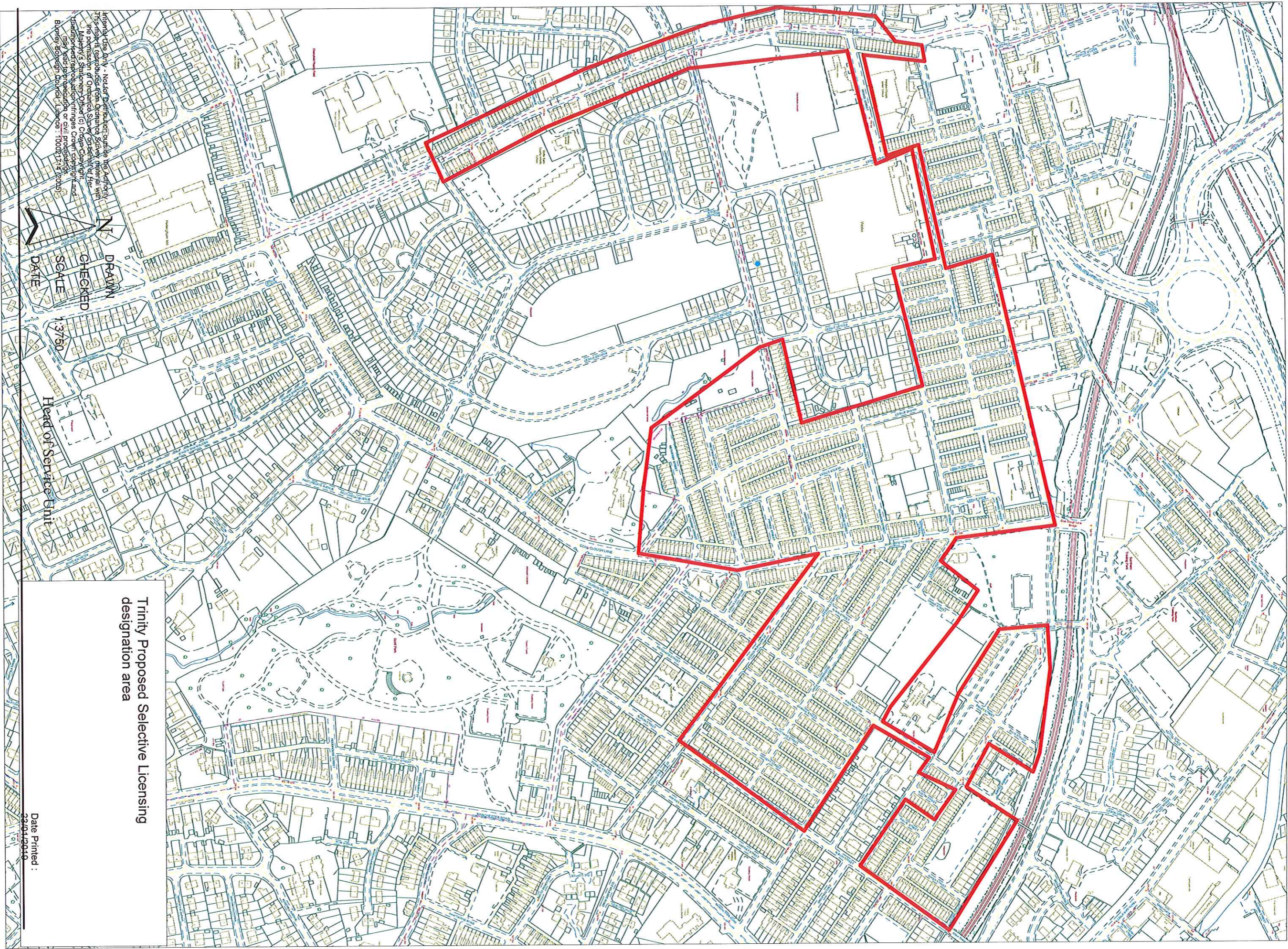
28. The Licence Holder or their nominated agent must have the facilities to receive and respond to initial complaints about their occupiers' behaviour.

29. The Licence Holder or their nominated agent must provide free of charge an honest and accurate reference relating to existing or previous tenants to other potential landlords.

Ending a Tenancy

30. The Licence Holder must ensure that there are management procedures in place to legally end a tenancy in relation to the Property, and must implement said procedures.

31. The Licence Holder must provide to the Authority on demand a copy of any notices served by the Licence Holder or their nominated representative ending a tenancy at the Property, and/or a copy of any notice given by the tenant ending a tenancy at the Property.



Trinity Proposed Selective Licensing
designation area

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Head of Service Unit

Date Printed :
22/01/2010

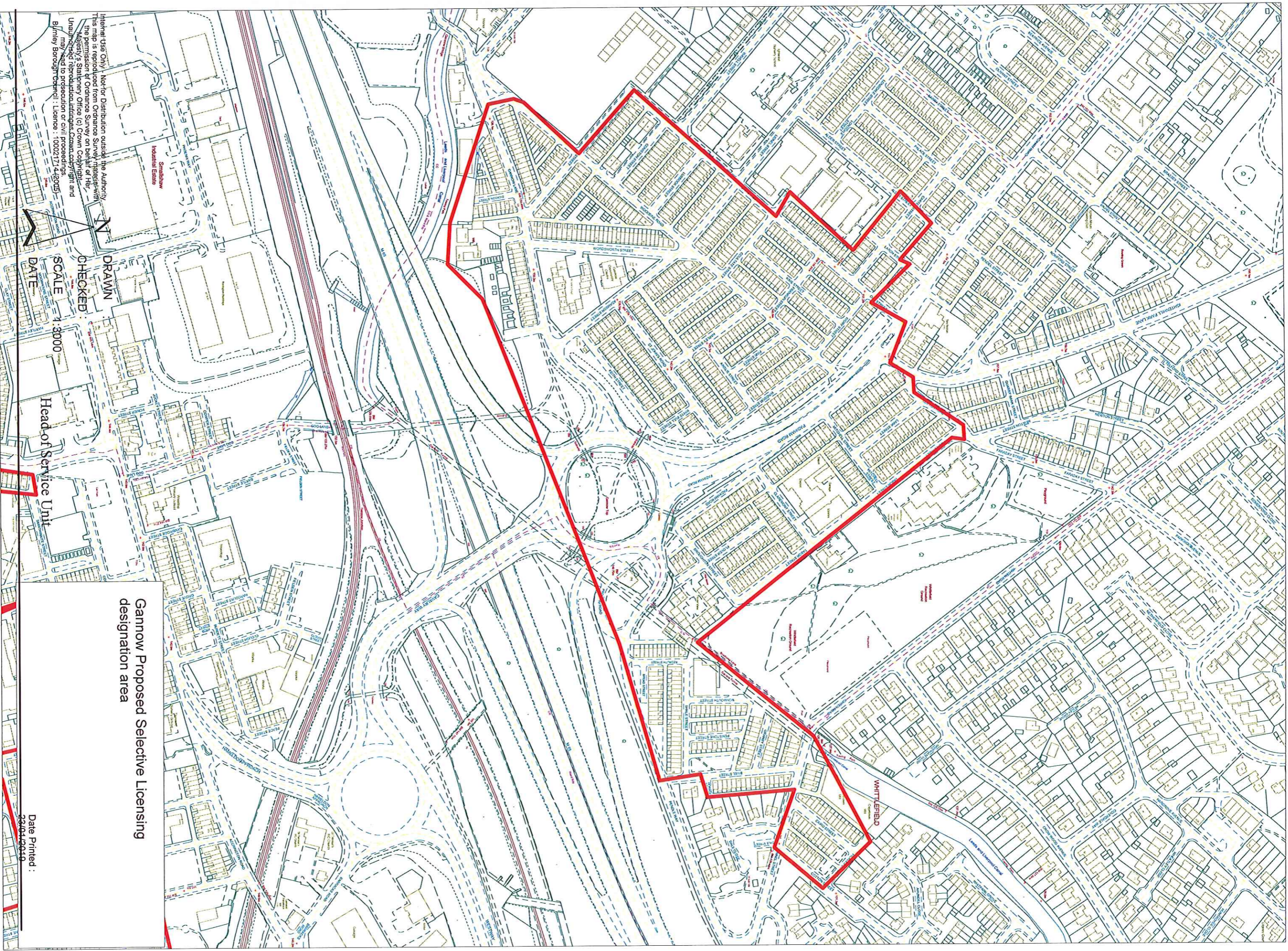
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SELECTIVE LICENSING – TRINITY STREET LIST

Street	Number	Street	Number
Albion Street	43-123	Herbert Street	1-53 odds
Alwin Street	All	Herbert Street	2-52 evens
Arran Street	All	Howard Street	All
Athol Street North	20-60 Evens	Hudson Street	All
Athol Street North	21-57 Odds	Nairne Street	23-149 Odds
Athol Street South	All	Nairne Street	34 – 70 evens
Baker Street	All	Nairne Street	76 – 148 evens
Bruce Street	All	Netherby Street	All
Buccleuch Street	All	Piccadilly Road	32-112 evens
Buck Street	All	Piccadilly Road	31-87 odds
Coal Clough Lane	5 – 153 odds	Prestwich Street	All
Coal Clough Lane	40 – 94 Evens	Prince Street	All
Cog Lane	144 – 354	Pritchard Street	All
Cog Lane	69 –229	Queensberry Road	All
Colin Street	1&3	Raglan Road	2 – 60 evens
Ellis Street	All	Raglan Road	73-93 odds
Elmwood Street	13 – 53 odds	Richmond Street	All
Elmwood Street	22 – 62 evens	Scarlett Street	All
Every Street	1-19 Odds	Sefton Avenue	All
Every Street	78 – 100 evens	Sefton Terrace	All
Grange Street	All	St Matthew Street	1-67 Odds
Grant Street	All	Swindon Street	All
Harold Street	1-55 odds	Tay Street	2 – 22 evens
Harold Street	2-32 evens	Ulster Street	All

Weldon Street	All		
Westmorland Street	All		
Willis Street	All		



Gannow Proposed Selective Licensing
designation area

Date Printed :
23/04/2010

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DATE

Head of Service Unit

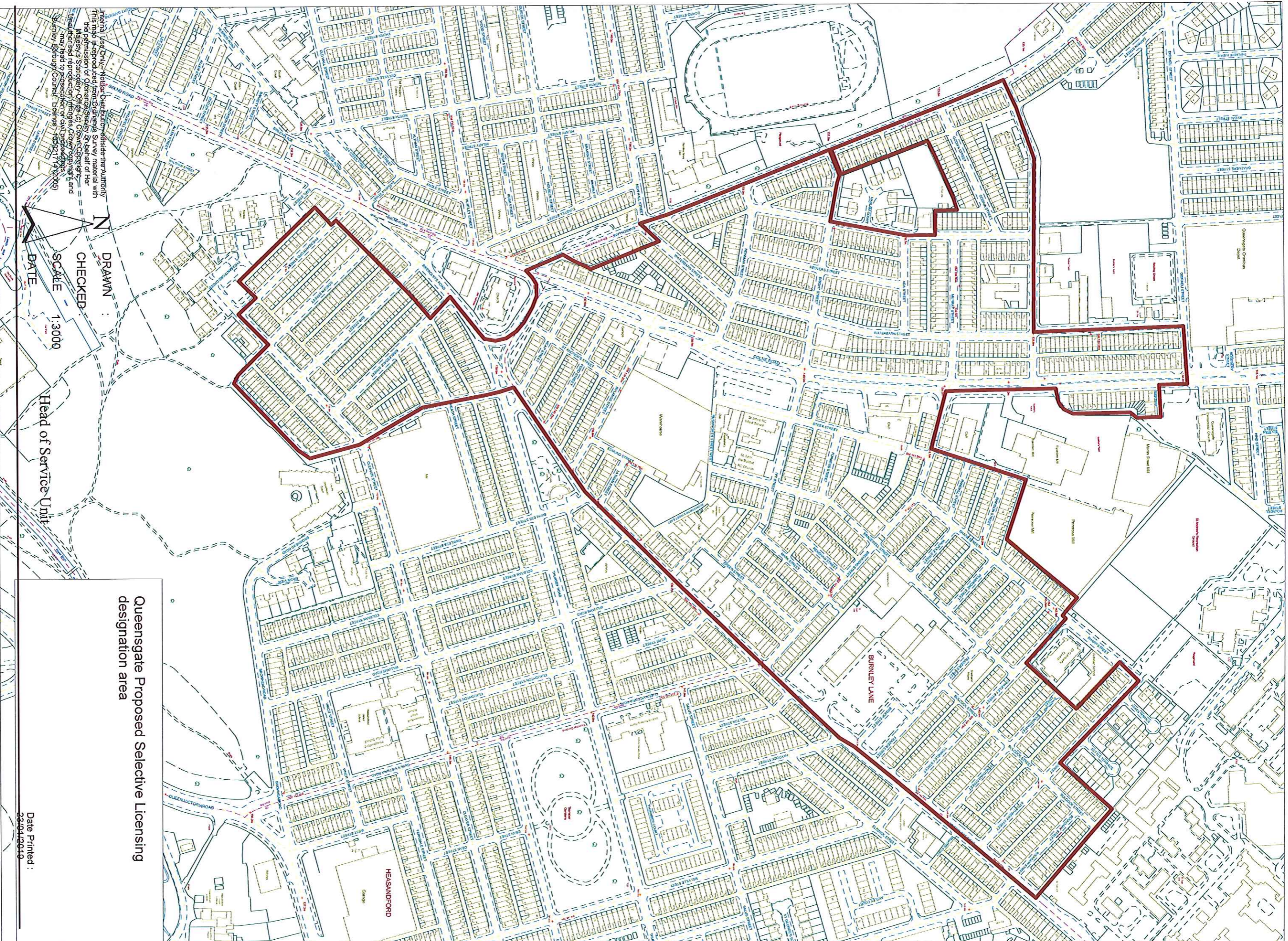
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SELECTIVE LICENSING - GANNOW STREET LIST

9-41 odds	ADAMSON STREET
ALL	AINSLIE STREET
ALL	BIVEL STREET
ALL	BREAD STREET
ALL	BROUGHTON STREET
ALL	CAIRO STREET
2-28 evens & 1-27 odds	CARTER STREET
ALL	CLAREMONT STREET
1-5 odds	CLIFTON ROAD
ALL	CONISTON STREET
7-19 odds	COTTON STREET
ALL	COULTATE STREET
ALL	DICKSON STREET
74-136 evens & 67-107 odds	GANNOW LANE
ALL	GRANBY STREET
ALL	HARLEY STREET
ALL	IMPERIAL COURT
ALL	IVORY STREET
2-32 evens	KEITH STREET
ALL	KIME STREET
ALL	LARK STREET
1-21 odds & 4-24 evens	LIONEL STREET
ALL	LUBBOCK STREET
ALL	MITCHELL STREET
ALL	MONMOUTH STREET
ALL	OAK STREET
201-291 odds	PADIHAM ROAD
ALL	PENISTONE STREET
ALL	PINK STREET
ALL	PLOVER STREET
ALL	PLOVER VIEW
ALL	REDRUTH STREET
ALL	SHALE STREET
ALL	ST JOHNS ROAD
2-60 evens	TABOR STREET
ALL	TUNNEL STREET
ALL	WHITEBULL STREET
ALL	WINDSOR STREET
ALL	WOODBINE ROAD
ALL	WORDSWORTH STREET
ALL	WREN STREET

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Queensgate Proposed Selective Licensing designation area

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Date Printed : 23/04/2010

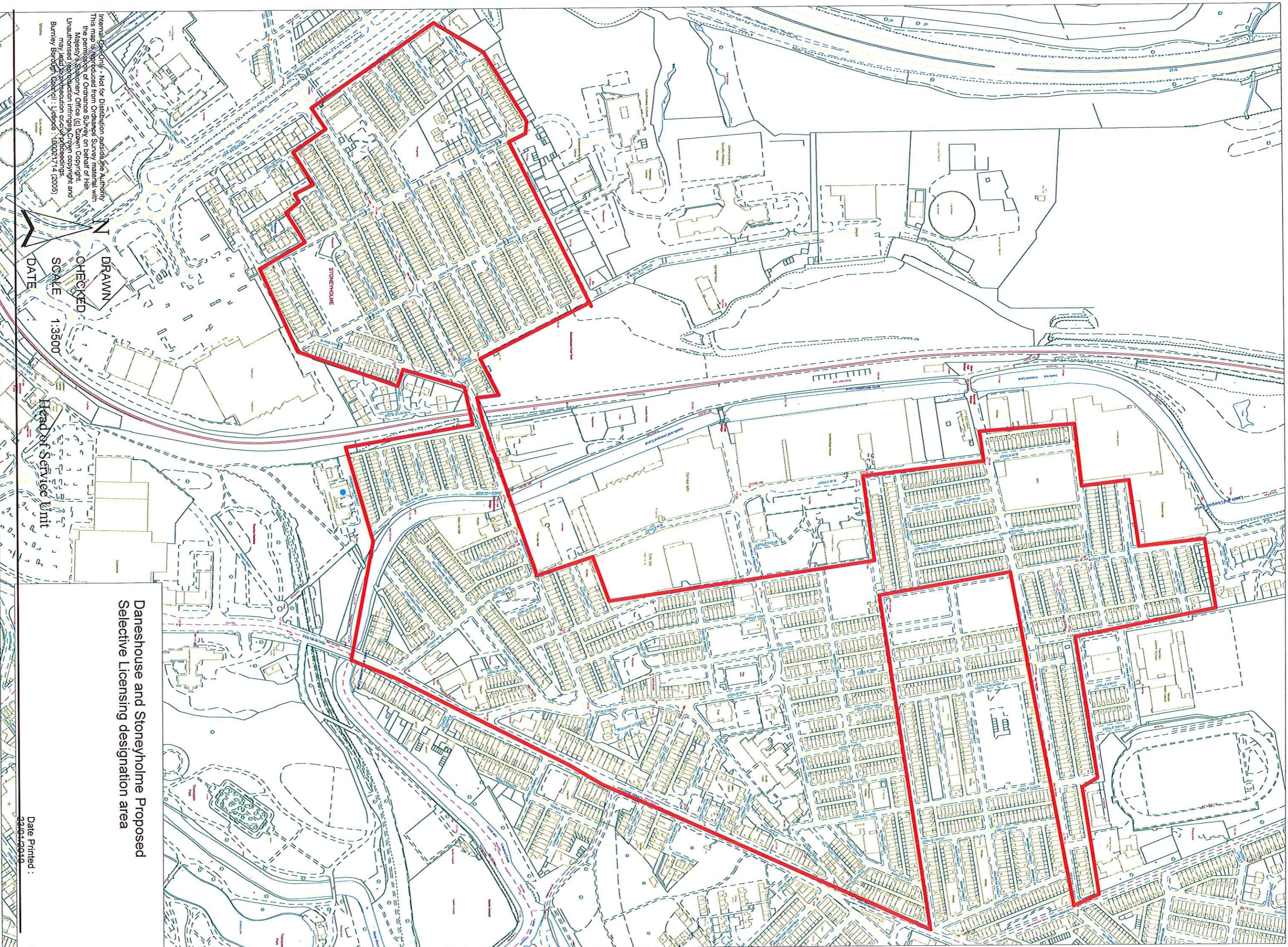
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SELECTIVE LICENSING - QUEENSGATE AREA

ALL	ADA STREET
ALL	BAR STREET
29-55 & 61-145 odds	BARDEN LANE
ALL	BOUNDARY STREET
ALL	BRACEWELL STREET
2-58 even & 1-89 odds	BRENNAND STREET
8-116 evens (inc 114a)	BRIERCLIFFE ROAD
41 – 75 odds	BRIERCLIFFE ROAD
ALL	BRIGHT STREET
ALL	BROMSGROVE ROAD
ALL	BULCOCK STREET
ALL	CARDINAL STREET
2-46 evens & 3-45 odds	CLEAVER STREET
ALL	COBDEN STREET
168-392a evens & 223-257 odds	COLNE ROAD
2	DISRAELI STREET
ALL	EDMUND STREET
ALL	FORD STREET
ALL	FRASER STREET
ALL	FURNESS STREET
ALL	GODIVA STREET
ALL	GREEN STREET
ALL	HAULGH STREET
ALL	HEAP STREET
1-23 odds & 2-28 evens	HEATH STREET
ALL	HOLMBY STREET
ALL	IVY STREET
ALL	LATHAM STREET
ALL	MARK STREET
ALL	MARTIN STREET
ALL	MURRAY STREET
ALL	NEWMAN STREET
ALL	PEMBROKE STREET
ALL	PHEASANTFORD STREET
ALL	PRATT STREET
ALL	RANDALL STREET
ALL	RAWSON STREET
ALL	REDVERS STREET
ALL	RENSHAW STREET
ALL	RIBBLESDALE STREET
ALL	RUSHWORTH STREET EAST
ALL	RUSHWORTH STREET WEST
ALL	RYLANDS STREET
ALL	SHACKLETON STREET
ALL	SHARP STREET
ALL	ST ANDREWS STREET
2-74 evens & 1-29 odds	ST CUTHBERT STREET
ALL	STEER STREET
ALL	TOWNELEY STREET
ALL	WALPOLE STREET
ALL	WATERBARN STREET
ALL	WYNOTHAM STREET

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Head of Service Unit

**Daneshouse and Stoneholme Proposed
Selective Licensing designation area**

Date Printed :
22/04/2010

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SELECTIVE LICENSING – DANESHOUSE WITH STONEYHOLME STREET LIST

2 to 10, 36, 40 to 60, 64 to 82, 130 to 178 (even)	ABEL STREET
43 to 85, 143 to 151 (odd)	ABEL STREET
ALL	ALLEN COURT
3 to 21 (odd)	ALLEN STREET
1 to 23 (odd)	ALTHAM STREET
7 to 49 (odd)	ANGLE STREET
4 to 18, 50 to 76 (even), 51 to 87 (odd)	ARDWICK STREET
ALL	ARLEY GARDENS
1 to 11 (odd)	BANKHALL TERRACE
2 to 66 (even) 13 to 49 (odd)	BELFORD STREET
26 to 36 (even)	BELGRAVE STREET
2 to 14 (even)	BOARD STREET
2 to 16 (even)	BOND STREET
27 to 33 (odd) 28 to 34 (even)	BOOTH COURT
3 to 15 (odd)	BRIEF STREET
1 to 119 (odd) 22 to 132 (even)	BROUGHAM STREET
4, 20 to 26 (even)	BURLEIGH STREET
49 to 131 (odd) 52 to 114 (even)	BURNS STREET
1 to 25 (odd) 2 to 56 (even)	CAMERON STREET
59 to 63 (odd)	CANNING STREET
ALL	CASTLE STREET
3 to 23 (odd) 4 to 14 (even)	CLEGG STREET
37, 39, 41-43, 45, 47-51	CLEGG STREET EAST
5 to 69 (odd) 6 to 70 (even)	CLIVE STREET
34 to 72, 84 to 104, 112 to 124 (including 124 c), 128 to 160 (even)	COLNE ROAD
9 to 21 (odd) 18 to 48 (even)	COLVILLE STREET
ALL	CROMWELL STREET
1 to 35 (odd)	CRONKSHAW STREET
ALL	DANE STREET
1 to 55 (odd) 6 to 70 (even)	DANESHOUSE ROAD
2 to 68 (even) 5 to 75 (odd)	DEVONSHIRE ROAD
1 to 7 (odd)	DEVONSHIRE TERRACE
3 to 98	ELM STREET
ALL	ESCOTT GARDENS
2 to 28 (even) 33 to 53 (odd)	EVELYN STREET
ALL	EXTWISTLE STREET
1, 4	FOLDS STREET
1 to 49 (odd)	FRANCIS STREET
2 to 120 (even) 7 to 113 (odd)	GORDON STREET
ALL	GRANVILLE STREET
2 to 60, 72 to 98, 148 to 176 (even) 7 to 21, 37 to 43, 47 to 83, 135 to 141 (odd)	GREY STREET
1 to 9, 23 to 25, 33 to 37 (odd) 2 to 22, 52 to	HEBREW ROAD

SELECTIVE LICENSING – DANESHOUSE WITH STONEYHOLME STREET LIST

70, 110 to 124 (even)	
1, 3	HEBREW SQUARE
1 to 53 (odd) 2 to 22 (even)	HOWSIN STREET
1 to 25 (odd)	HUBIE STREET
10 to 56 (even) 27 to 93 (odd)	HURTLEY STREET
1-13 (odd)	JAMES STREET
2 to 18 (even) 3 to 29 (odd)	LEE STREET
1 to 71 (odd) 18 to 48 (even)	MARCH STREET
2 to 38 (even) 21 to 37 (odd)	MERTON STREET
3 to 45 (odd)	MILNER STREET
44 to 156 (even)	NEW HALL STREET
1 to 17 (odd) 8 to 20 (even)	NICHOLL STREET
ALL	NORMAN STREET
8 to 22 (even)	NORTH STREET
10 to 12, 18, 22 to 26 (even) 27a, 27, 29 (odd)	OLD HALL STREET
2	OSWALD STREET
28 to 60 (even) 35 to 47, 53 to 69 (odd)	ROBINSON STREET
ALL	SAXON STREET
ALL	SPENCER STREET
1 to 23 (odd) 2 (including 2a) to 36 (even)	STAFFORD STREET
8	TAYLOR STREET
8 to 42 (even) 21 to 35 (odd)	THORN STREET
2 to 14 (even) 5 to 57 (odd)	TRAVIS STREET
ALL	VIOLET STREET
ALL	WHALLEY STREET



EXECUTIVE

BURNLEY TOWN HALL

Monday, 11th February, 2019 at 6.30 pm

87. Revenue Budget Monitoring Q3 2018-19

Purpose.

To report the forecast outturn position for the year as at 31 March 2019 based upon actual spending and income to 30 December 2018.

Reason For Decision.

To give consideration to the level of revenue spending and income in 2018/19 as part of the effective governance of the Council and to ensure that appropriate management action is taken to ensure a balanced financial position.

Decision.

- (1) That the projected revenue budget forecast breakeven position, see Revenue Budget Summary and detailed Service Reports below and Appendix 2, be noted;
- (2) That Full Council be recommended to approve the latest revised budget of £15.090m as shown in Appendix 1;**
- (3) That Full Council be recommended to approve the net transfers from earmarked reserves of £0.014m as shown in Appendix 3;and**
- (4) That Full Council be recommended to approve the carry forward of forecast unspent budgets as requested by Heads of Service in Appendix 4. These amounts totalling £52k to be transferred into the transformation reserve and transferred back out to create additional revenue budgets in 2019/20 or when required.**

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Revenue Monitoring Report 2018/19 – Quarter 3 (to 30 December 2018)

REPORT TO EXECUTIVE



DATE	11 February 2019
PORTFOLIO	Resources and Performance Management
REPORT AUTHOR	Asad Mushtaq
TEL NO	(01282) 477173
EMAIL	amushtaq@burnley.gov.uk

PURPOSE

1. To report the forecast outturn position for the year as at 31 March 2019 based upon actual spending and income to **30 December 2018**.

RECOMMENDATION

2. The Executive is asked to:
 - a. Note the projected revenue budget forecast breakeven position, see Revenue Budget Summary and detailed Service Reports below and Appendix 2.

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

- b. The latest revised budget of £15.090m as shown in Appendix 1, and
- c. The net transfers from earmarked reserves of £0.014m as shown in Appendix 3.
- d. The carry forward of forecast unspent budgets as requested by Heads of Service in Appendix 4. These amounts totalling £52k to be transferred into the transformation reserve and transferred back out to create additional revenue budgets in 2019/20 or when required.

REASONS FOR RECOMMENDATION

3. To give consideration to the level of revenue spending and income in 2018/19 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

4. **Revenue Budget Monitoring Process**

There are three in-year reports on revenue budget monitoring presented to the Executive and Scrutiny Committee during the course of the financial year. This is the third in-year report for 2018/19. In addition to these three 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 and capital budgets. 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 contribution over £50k.
- Decisions made by the Executive.

Members are asked to approve the latest revised budget of £15.090m as shown in Appendix 1.

6. Revenue Budget Summary

As at the end of December 2018, the overall financial position is currently projected to breakeven, as shown in the table below:

	Latest Revised Budget £'000s	Forecast Outturn £'000s	Variance £'000s
Pay	9,026	8,980	(46)
Other revenue budgets	7,186	7,059	(127)
In-year efficiency savings target	(250)	(77)	173
Reserves	(872)	(872)	-
	15,090	15,090	-
Financed by:			
Council Tax	(6,739)	(6,739)	-
Business Rates	(5,473)	(5,473)	-
Revenue Support Grant	(2,228)	(2,228)	-
New Homes Bonus	(561)	(561)	-
Council Tax surplus	(89)	(89)	-
Forecast (under) / over spend as at end of December 2018	-	-	-

Salary Savings Target

In setting the budget for 2018/19, it was assumed that £150k would be saved by not filling posts immediately. The latest position is that £221k of salary savings have been secured to date, exceeding the target for the financial year by **£71k**. As the

non-salary savings target has not yet been met the excess salary saving will be used to offset any shortfall.

Non-salary Savings Target

It was also agreed that there would be an in-year efficiency savings / additional income target of £250k. The latest position is that £173k of non-salary savings have been secured to date, leaving a shortfall of **£77k** to identify during the remainder of the year. The £71k of additional salary saving will be used, if required, leaving a shortfall of £6k. It is forecast at this stage that this target will be achieved; however this will be monitored closely throughout the year.

7. Service Reports

The following tables show the Council's service units and their corresponding current forecast outturn position in comparison to their revised budget and the previously reported variance.

a. Management Team

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Management Team	333	333	333	-	-	-
Total	333	333	333	-	-	-

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

b. Policy and Engagement

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Emergency Planning	2	2	2	-	-	-
Communications	80	77	76	(1)	(1)	-
Community Engagement	204	229	228	(1)	-	(1)
Performance & Policy	113	124	124	-	-	-
Management & Admin	70	45	45	-	-	-
Total	469	477	475	(2)	(1)	(1)

A (£1k) saving on Team Awards has been achieved

c. People and Development

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
People & Development	250	258	258	-	-	-
Total	250	258	258	-	-	-

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

d. Green Spaces and Amenities

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Bereavement Service	(850)	(924)	(924)	-	-	-
Parks & Green Spaces	1,506	1,515	1,515	-	-	-
Art Gallery & Museum	223	253	253	-	-	-
Transport	73	73	73	-	-	-
Total	952	917	917	-	-	-

Income continues to be closely monitored during the year to enable early identification of areas where a forecasted shortfall of excess of income within the year so that remedial action can be taken. There is nothing to report at this stage and income is expected to meet the targets set.

e. Legal & Democratic Services

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Legal Services	293	251	215	(36)	(38)	2
Governance	788	773	761	(12)	(12)	-
Total	1,081	1,024	976	(48)	(50)	2

Additional salary savings of £8k have been identified, being a £5k Agency budget, and a £3k maternity saving.

Additional small overspends within Legal Service totalling **£2k** have been identified and declared in quarter 3.

f. Finance and Property

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Finance Unit	711	735	735	-	-	-
Property	(353)	(377)	(303)	74	74	-
External Audit	65	65	65	-	-	-
Mortgages / HA Loans	(61)	(61)	(61)	-	-	-
Misc Income & Expend	(10)	(10)	(10)	-	-	-
Treasury	935	935	905	(30)	(10)	(20)
Total	1,287	1,287	1,331	44	64	(20)

Additional salary savings of (£29k) relating to the vacant Principal Accountant and Finance Manager posts, along with Consultancy savings. This is a one-off saving and has been picked up in budget setting for 2019/20

Rental income from the Council's investment properties continues to be closely monitored during the year, with the anticipated shortfall still at £74k.

Treasury costs continue to be monitored closely during the year. Interest receivable is forecast to be (**£20k**) surplus, due to investments in Property Funds, bringing the revised forecast for Treasury to (£30k) surplus

g. Revenues and Benefits

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Revs & Bens Client	(391)	(382)	(382)	-	-	-
HB Payments/Subsidy	(74)	(74)	(74)	-	-	-
Council Tax Support	(165)	(165)	(165)	-	-	-
Cost of Collection	(703)	(703)	(703)	-	-	-
Total	(1,333)	(1,324)	(1,324)	-	-	-

Caseload numbers continue to reduce due to Universal Credit. This has resulted in a reduction in the amount of housing benefit payments made to claimants during the year with a corresponding reduction in housing benefit subsidy received from the Department for Work & Pensions. This will continue to be closely monitored during the year.

h. Leisure Trust Client

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Mechanics & Arts	47	47	47	-	-	-
Leisure Centres	557	556	556	-	-	-
Total	604	603	603	-	-	-

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

i. Streetscene

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Engineering Services	120	126	126	-	-	-
Community Safety	245	254	254	-	-	-
Car Parking	(565)	(568)	(547)	21	7	14
CCTV	137	139	131	(8)	(8)	-
Environmental Servs	2,737	2,756	2,751	(5)	-	(5)
Regulation	(244)	(240)	(240)	-	-	-
Management & Admin	725	705	705	-	-	-
Total	3,155	3,172	3,180	8	(1)	9

There is an additional forecast shortfall in income of **£14k** in relation to car parking enforcement income, bringing the total shortfall to £21k.

Additional income of **(£5k)** for Court Costs has been forecast within Backyard Clearance.

j. Housing and Development Control

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Housing	413	572	552	(20)	-	(20)
Development Control	(68)	(68)	(41)	27	-	27
Building Control	83	83	78	(5)	-	(5)
Selective Licensing	(49)	(49)	(49)	-	-	-
Total	379	538	540	2	-	2

Additional income of **(£20k)** has been achieved, through Civil Penalty Notice charges being raised.

A shortfall Development Control income of **£27k** is based on Planning Fees and Pre Planning Application anticipating a £30k shortfall. A small software saving of (£3k) has been identified in year. Planning Fees will be closely monitored until year end.

Building Control contribution to Blackburn with Darwen is anticipated to be **(£5k)** less than budget.

k. **Economy and Growth**

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Markets	91	106	106	-	-	-
Planning Policy	198	203	203	-	-	-
Economic Devt	472	498	498	-	-	-
Regeneration Devt	520	190	220	30	30	-
Management & Admin	123	138	138	-	-	-
Total	1,404	1,135	1,165	30	30	-

A projected shortfall in income of £30k in relation to the Vision Park Development was reported in quarter 1.

It is also worth noting the Market Hall income is similarly volatile and difficult to predict. Economy & Growth, together with the Finance Business Partner, will continue to monitor the position and are actively marketing vacant units. Works to address the ventilation problems in the market are current underway and will assist in the retention of existing market holders whilst making it more attractive to new tenants.

l. **Strategic Partnership**

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Strategic Partnership	3,610	3,610	3,550	-	(60)	-
Total	3,610	3,610	3,550	-	(60)	-

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

m. Corporate Budgets

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Democratic Represent'n	21	20	20	-	-	-
Corporate Management	75	50	50	-	-	-
Corporate Costs	1,626	1,756	1,815	59	51	8
Statutory Adjustments	1,690	2,649	2,616	(33)	(33)	-
Taxation & Grants	(596)	(544)	(544)	-	-	-
Total	2,816	3,931	3,957	26	18	8

Additional salary savings of £67k have been identified and used to meet the corporate salary saving target reported in paragraph 6 above. The additional salary savings has resulted in an overall salary saving declared for the year of £221k, exceeding the target for the year by £71k.

As mentioned in paragraph 6, non-salary savings of £173k have been secured to date. £165k of this was reported in quarters 1 and 2 with a further **£8k** identified in quarter 3. This reduces the target of £250k for in-year efficiency savings / additional income, leaving a shortfall of £77k to identify during the remainder of the year.

The savings proposals for 2019/20, included proposed reductions in posts which have been subject to formal consultation. The cost of any redundancies will either be met from underspends within the current financial year in the first instance, however, if there are insufficient underspends identified the costs will be met from the Transformation Reserve.

n. Earmarked Reserves

The table below shows the current forecast outturn position and compares this with the revised budget and the previously reported variance.

	Original Budget £'000s	Revised Budget £'000s	Current Forecast £000's	Current Variance £000's	Variance Last Reported £'000s	Movem't This Report £'000s
Earmarked Reserves	83	(872)	(872)	-	-	-
Total	83	(872)	(872)	-	-	-

There is no proposed use of reserves in 2018/19 to support revenue expenditure. However, any shortfall in meeting the in-year efficiency savings targets within 2018/19 will need to be met from reserves. At this stage it is expected that this target will be achieved.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

8. As shown in the body of the report.

POLICY IMPLICATIONS

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

DETAILS OF CONSULTATION

10. None

BACKGROUND PAPERS

11. None

FURTHER INFORMATION

PLEASE CONTACT:

Asad Mushtaq – Head of Finance and Property

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Movements in Revenue Budget 2018/19 - to 31 December 2018

	Original Budget	Changes Cycle (Cycle 3)	Changes Previous Cycles	Transfers to /(from) Earmarked Reserves (see App 3)	Grants Unapplied carried forward from 2017/18	TOTAL OVERALL MOVEMENT	Revised Budget
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Management Team	333	-	-		-	-	333
Policy and Engagement	469	-	(57)	63	2	8	477
People and Development	250	-	8		-	8	258
Green Spaces and Amenities	952	(48)	(13)	15	11	(35)	917
Legal and Democratic Services	1,081	8	(65)		-	(57)	1,024
Finance and Property	1,287	(2)	(28)	30	-	-	1,287
Revenues and Benefits	(1,333)	-	-		9	9	(1,324)
Leisure Trust Client	604	(1)	-		-	(1)	603
Streetscene	3,155	(27)	(1)	42	3	17	3,172
Housing and Development Control	379	(2)	3	86	73	160	539
Economy and Growth	1,404	(2)	29	(361)	65	(269)	1,135
Strategic Partnership	3,610	-	-		-	-	3,610
Corporate Budgets	2,816	74	127	914	-	1,115	3,931
Use of Earmarked Reserves	83	-	(3)	(789)	(163)	(955)	(872)
	15,090	-	-	-	-	-	15,090

Movements in Revenue Budget 2018/19 - to 31 December 2018

	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 Team	317	16	-	333	317	16	-	333	-	-	-	-
Policy and Engagement	431	361	(315)	477	431	359	(315)	475	-	(2)	-	(2)
People and Development	173	85	-	258	173	85	-	258	-	-	-	-
Green Spaces and Amenities	1,850	1,111	(2,044)	917	1,850	1,111	(2,044)	917	-	-	-	-
Legal and Democratic Services	700	877	(553)	1,024	692	845	(569)	968	(8)	(32)	(16)	(56)
Finance and Property	787	2,019	(1,519)	1,287	758	2,007	(1,463)	1,302	(29)	(12)	56	15
Revenues and Benefits	-	30,895	(32,219)	(1,324)	-	30,895	(32,219)	(1,324)	-	-	-	-
Leisure Trust Client	-	850	(247)	603	-	850	(247)	603	-	-	-	-
Streetscene	1,012	4,034	(1,874)	3,172	1,012	4,026	(1,858)	3,180	-	(8)	16	8
Housing and Development Control	1,347	383	(1,191)	539	1,317	375	(1,181)	511	(30)	(8)	10	(28)
Economy and Growth	1,038	1,005	(908)	1,135	1,038	1,005	(878)	1,165	-	-	30	30
Strategic Partnership	-	3,610	-	3,610	-	3,550	-	3,550	-	(60)	-	(60)
Corporate Budgets	1,371	3,184	(624)	3,931	1,392	3,256	(624)	4,024	21	72	-	93
Use of Earmarked Reserves	-	-	(872)	(872)	-	-	(872)	(872)	-	-	-	-
Total	9,026	48,430	(42,366)	15,090	8,980	48,380	(42,270)	15,090	(46)	(50)	96	-

Movements in Revenue Budget 2018/19 - to 31 December 2018

Position on Earmarked Reserves	Transformation Reserve	Growth Reserve	Other Specific Reserves	Total Reserves
	£'000	£'000	£'000	£'000
Opening Balance at 1 April 2018	(1,831)	(3,218)	(1,729)	(6,778)
Original Budget 2018/19 - Use of Reserves 2018/19	-	1,273	(1,356)	(83)
Carry forwards from 2017/18 Approved	216	-	-	216
	(1,615)	(1,945)	(3,085)	(6,645)
Changes during 2018/19				
Approved Quarter 1	195	(46)	598	747
Approved Quarter 2	(25)	-	3	(22)
Reported in Quarter 3	-	14	-	14
	170	(32)	601	739
Anticipated Balance at 31 March 2019	(1,445)	(1,977)	(2,484)	(5,906)
Approved Use of Reserves in future years	25	1,853	2,484	4,362
Balance after approvals	(1,420)	(124)	-	(1,544)

Requests for Revenue Budget Carry Forwards from 2018/19 into 2019/20

Appendix 4

<u>Service Unit / Task</u>	<u>Details</u>	<u>Amount Requested</u> £	<u>Budget Code</u>	<u>Budget 2018/19</u> £	<u>Forecast Spending / (Income) 2018/19</u> £	<u>Remaining 2018/19</u> £
<u>Streetscene</u>						
Enforcement Cameras	We are currently working with LCC to get an agreement in place, to mount cameras onto their lampposts to tackle illegal fly tipping / dumping into back yards.	12,300	R6060/1811	13,000	700	12,300
IDOX Software	There is currently £5k in R6010/1979 which is earmarked spend for this system – but depending upon the progress of implementation of this product this may need to be c/f into next year.	5,076	R6010/1979	12,604	7,528	5,076
		17,376		25,604	8,228	17,376
<u>Comms Servcs Performance & Policy</u>						
Children's University	Balance required to fund Yr 3 from the £20k budget approved by the Executive	9,040	R2206/2021	12,780	3,740	9,040
		9,040		12,780	3,740	9,040
<u>Finance</u>						
Accountancy	Balance of Finance transformation budgets to complete work on intelligent scanning, asset accounting and bank reconciliation modules	20,000	R2073/Various	30,000	10,000	20,000
		20,000		30,000	10,000	20,000
<u>Economy & Growth</u>						
BID Burnley Town Centre	BID Loan Fund - Stage 1 Feasibility Study	5,250	R2275	5,250	-	5,250
		5,250		5,250	-	5,250
Totals		51,666		73,634	21,968	51,666



EXECUTIVE

BURNLEY TOWN HALL

Monday, 11th February, 2019 at 6.30 pm

88. Capital Budget Monitoring Q3 2018-19

Purpose.

To provide Members with an update on capital expenditure and the resources position along with highlighting any variances. An amended reformatted Appendix 3 was circulated as a supplement to the agenda.

Reason For Decision.

To effectively manage the 2018/19 capital programme.

The budget decrease of £2,503,339 includes slippage of £2,598,055, per Appendix 1. The material reasons are changes to major schemes, such as:

- Prairie Artificial Pitch - £485,000 – Delay in Grant Application
- Lower St James Street - £400,000 – Procurement/Value Engineering
- Former Open Market & Former Cinema Block - £830,000 – Delay in Demolition

Decision.

- (1) That Full Council be recommended to approve net budget changes totalling a decrease of £2,503,339 giving a revised capital budget for 2018/19 totalling £7,823,205 as detailed in Appendix 1;**
- (2) That Full Council be recommended to approve the proposed financing of the revised capital budget totalling £7,823,205 as shown in Appendix 2; and**
- (3) That Full Council be recommended to note the latest estimated year end position on capital receipts and contributions showing an assumed balance of £2,475,114 at 31 March 2019 as shown in Appendix 3 as amended.**

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Capital Monitoring Report 2018/19 – Quarter 3 (to 30 December 2018)

REPORT TO EXECUTIVE



DATE	11 February 2019
PORTFOLIO	Resources and Performance Management
REPORT AUTHOR	Asad Mushtaq
TEL NO	(01282) 477173
EMAIL	amushtaq@burnley.gov.uk

PURPOSE

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

RECOMMENDATION

2. The Executive is asked to:
 - a. Recommend to Full Council, approval of net budget changes totalling a decrease of £2,503,339 giving a revised capital budget for 2018/19 totalling £7,823,205 as detailed in Appendix 1.
 - b. Recommend to Full Council, approval of the proposed financing of the revised capital budget totalling £7,823,205 as shown in Appendix 2.
 - c. Note the latest estimated year end position on capital receipts and contributions showing an assumed balance of £2,475,114 at 31 March 2019 as shown in Appendix 3.

REASONS FOR RECOMMENDATION

3. To effectively manage the 2018/19 capital programme.

The budget decrease of £2,503,339 includes slippage of £2,598,055, per Appendix 1. The material reasons are changes to major schemes, such as:

- Prairie Artificial Pitch - £485,000 – Delay in Grant Application
- Lower St James Street - £400,000 – Procurement/Value Engineering
- Former Open Market & Former Cinema Block - £830,000 – Delay in Demolition

SUMMARY OF KEY POINTS

4. Monitoring Information

On 21 February 2018 Full Council approved the 2018/19 original capital budget, totalling £10,140,512. Since February, a number of reports have been approved by the Executive,

resulting in revising the 2018/19 capital budget to £10,326,544 (as at 11 December 2018 Executive).

This is the final of three in-year monitoring reports, and as such the appendices accompanying this report provide Members with the position as at 30 December 2018 on expenditure, along with providing Members with an update on the progress of the individual schemes delivery.

5. Executive Summary

- a. **Expenditure monitoring – Appendix 1** provides a detailed breakdown of the revised capital budget, scheme by scheme, presented under each of the relevant service unit areas responsible for delivering the capital projects. It shows the recommended revised budget position and expenditure as at the end of December 2018. The expenditure to date is £3,875,322 which is 50% of the proposed revised budget.
- b. **Revised budget and financing elements – Appendix 2** shows the revised budget of £7,823,205, along with identifying the recommended financing elements on a scheme by scheme basis.
- c. **Council resources position – Appendix 3** shows the latest position on capital receipts, section 106 monies and third party contributions. As at the end of this round of budget monitoring the assumed level of surplus available local resources, after taking into account the 2018/19 capital commitments, totals £2,475,114. The resources are reducing each financial year, to an estimated negative balance on general capital receipts by March 2021. This is due to reduced opportunities to realise capital receipts, as the estate reduces, which will leave a lesser capital programme going forward.

6. Revenue Implications

a. Revenue Contributions 2018/19

The Capital Programme includes Revenue Contributions of £1,227,221, being:

Scheme	£
Thompson Park Restoration Project	230,447
Play Area Improvement Scheme	2,500
Vehicle and Machinery Replacement	159,069
Calder Park	2,000
Former Open Market & Former Cinema Block	297,197
Contribution to Shopping Centre Redevelopment	375,000
Padiham Town Hall – Flood Works	3,048
Building Infrastructure Works	157,960
Total Revenue Contributions	1,227,221

b. Prudential Borrowing 2018/19

The proposed revised capital budget for 2018/19 includes a use of Prudential Borrowing totalling £895,179.

The revenue implications of borrowing £895,179 are a Minimum Revenue Provision (MRP) of £56k and an interest charge, assuming 4% on the borrowing, would equate to £36k for a full year.

The original capital budget for 2018/19 of £10,140,512 included a planned borrowing requirement of £1,591,440. This has subsequently changed as schemes have slipped

from 2017/18 into 2018/19.

The MRP cost is the charge to revenue for the repayment of the principal amount borrowed based on the estimated life of the asset and is not incurred until 2019/20 (the year after the schemes are completed). The interest cost will be dependent on the timing of the borrowing and is subject to the interest rate at the time the borrowing is undertaken. The full year costs will be included within the revenue budget for 2019/20.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

7. A decrease in the 2018/19 capital programme of £2,503,339 to give a revised budget of £7,823,205 and a decrease in the borrowing requirement, of £1,118,502 from Quarter 2 to Quarter 3, revising the total to £895,179.

POLICY IMPLICATIONS

8. None arising directly from this report.

DETAILS OF CONSULTATION

9. None

BACKGROUND PAPERS

10. None.

FURTHER INFORMATION

PLEASE CONTACT:

Asad Mushtaq – Head of Finance & Property

ALSO

Martin Dixon – Finance Business Partner

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2018/19 CAPITAL BUDGET CYCLE 3 MONITORING - UPDATE

APPENDIX 1

Scheme Name	Budget as at Exec 11/12/18 £	Adjustments Per This Report		Changes to be approved in this report A + B £	Revised Budget £	Total Spend as at 31/12/18 £	% Schemes Spend £	Financed by External Funding £	Narrative provided by Project Officers/Heads of Service
		Budget Adjustments A £	Reprofiled into Future Years B £						

GREEN SPACES & AMENITIES

Thompson Park Restoration Project	728,577	14,716		14,716	743,293	509,836	69%	512,846	The works are substantially complete, with some civil engineering work to complete including work to car parks, lake bridge, paddling pool and construction of octagonal shelter
Prairie Artificial Pitch	485,000		(485,000)	(485,000)	-	-	0%	-	Work will not start in this financial year. The grant application to the Football Foundation is now being considered at the January Football Foundation panel meeting following a delay securing planning permission.
Play Area Improvement Programme	130,015	40,000		40,000	170,015	1,056	1%	113,015	Orders have been issued for play equipment to the value of £105k Work commenced on site at Faraday St in early December with Towneley due to start in late January. Approval is sought to bring in additional £40,000 from 3rd party receipts
Calder Park	10,132			-	10,132	10,131	100%	8,132	complete
Stoops Wheeled Sport	130,355		(130,355)	(130,355)	-	-	0%	-	Tenders for this scheme to be returned 21st January 2019. The scheme may start on site in this financial year but the contract completion date has been put back to 12th July 2019 to encourage contractors to tender for this specialist work. Budget to be reprofiled into 2019/20
Vehicle & Machinery Replacement	119,069	40,000		40,000	159,069	107,633	68%	-	Will complete shortly
	1,603,148	94,716	(615,355)	(520,639)	1,082,509	628,656	58%	633,993	

STREETSCENE

Burnley Town Centre Pedestrianisation Upgrade	13,615			-	13,615	-	0%	-	The scheme is now complete and all the budget is fully committed / spent.
River Training Walls	78,289		(28,289)	(28,289)	50,000	25,279	51%	-	£20k will be spent in Quarter 4 on minor emergency repairs and planned works. The remainder will need to be carried over to 2019/20 for proposed works on the River Brun at Bank Hall which are estimated to cost £75k. These works can only take place between June and September 2019, due to the ecological requirements of the Environment Agency in this location.
Lower St James Street	400,000		(400,000)	(400,000)	-	-	0%	-	A joint funded scheme is planned with Lancashire County Council (LCC). It is anticipated the scheme will commence in spring 2019/20.
CCTV Infrastructure	65,331			-	65,331	1,830	3%	-	£55k is committed for spend this financial year on essential upgrade work across the town. The remaining budget has been allocated for further upgrade work of the Council's camera infrastructure.
Alleygate Programme	51,082			-	51,082	-	0%	-	10 consultations and site surveys now completed with works ordered. Project still on track for completion in Q4. All budget committed.
	608,317	-	(428,289)	(428,289)	180,028	27,109	15%	-	

2018/19 CAPITAL BUDGET CYCLE 3 MONITORING - UPDATE

APPENDIX 1

Scheme Name	Budget as at Exec 11/12/18 £	Adjustments Per This Report		Changes to be	Revised Budget £	Total Spend as at 31/12/18 £	% Schemes Spend	Financed by External Funding £	Narrative provided by Project Officers/Heads of Service
		Budget	Reprofiled into	approved in					
		Adjustments A	Future Years B	this report A + B					
ECONOMY & GROWTH									
Vision Park	295,904			-	295,904	95,936	32%	97,402	The remaining balance will be paid at the end of the defects period, prior to end March 2019
Padiham Townscape Heritage Initiative	121,323		(61,323)	(61,323)	60,000	-	0%	60,000	It is estimated that £60,000 of expenditure will be incurred by the end of the financial year to prepare public realm designs and some architectural fees. The balance should be rolled forward to 2019/20
Former Open Market & Former Cinema Block	1,400,353		(830,000)	(830,000)	570,353	298,678	52%	-	All asbestos has been removed. The ramp to the closed market has re-opened. The 1992 glazed-atrium, sub structure has been completely demolished. The principal demolition will begin early January 2019, therefore £830k to be reprofiled into 2019/20
Weavers Triangle - Starter Homes	52,271			-	52,271	52,271	100%	52,271	Project completed
NW Burnley Growth Corridor	785,117		(13,088)	(13,088)	772,029	283,666	0%	772,029	Detailed design work is being carried out for the public realm and flood defence works. £13,088 to be reprofiled into 2019/20
Burnley-Pendle Growth Programme	200,000		(200,000)	(200,000)	-	4,030	0%	-	Works to key junctions around Burnley Town Centre have been completed, further works planned at Rosegrove and manchester Road Rail Station to be completed by March 2021.
Town Centre & Weavers Triangle Project Work	350,000			-	350,000	267,156	76%	-	Expenditure on target for various projects in the Town Centre and Weavers Triangle.
	3,204,968	-	(1,104,411)	(1,104,411)	2,100,557	1,001,737	48%	981,702	
FINANCE & PROPERTY									
Towneley Hall Building Works	80,000		(70,000)	(70,000)	10,000	8,122	81%	-	Discussions underway with Roofing Contractor working on Town Hall Roof. Additional work required following more extensive investigations. Unlikely to be significant additional spend this financial year and therefore £70k to be reprofiled.
Contribution to Shopping Centre Redevelopment	375,000			-	375,000	375,000	100%	-	Complete
Padiham Town Hall - Flood Works	3,048			-	3,048	-	0%	-	Small retention held on completed works which will be released once the identified defects are addressed later in January 2019.
Rationalisation of Operational Estate	300,000		(180,000)	(180,000)	120,000	16,932	14%	-	Further works underway and spend being processed. Likely spend by year end in the order of £120,000. Full budget should be spent by the end of June 2019, and therefore £180k reprofiled into 2019/20
Leisure Centre Improvements	93,077			-	93,077	29,563	32%	-	Further works completed and spend being processed. Approximately £17k uncommitted and to be allocated before year end.
Building Infrastructure Works	816,827		(200,000)	(200,000)	616,827	206,471	33%	-	Burnley Town Hall Roof works starting on 7th January 2019. £200k to be reprofiled into 2019/20.
	1,667,952	-	(450,000)	(450,000)	1,217,952	636,088	52%	-	

2018/19 CAPITAL BUDGET CYCLE 3 MONITORING - UPDATE

Scheme Name	Budget as at Exec 11/12/18 £	Adjustments Per This Report		Changes to be approved in this report £	Revised Budget £	Total Spend as at 31/12/18 £	% Schemes Spend	Financed by External Funding £	Narrative provided by Project Officers/Heads of Service
		Budget Adjustments	Reprofiled into Future Years						
		A	B	A + B					
HOUSING & DEVELOPMENT CONTROL									
Emergency Repairs	120,000			-	120,000	34,511	29%	120,000	19 grants have been approved to date, totalling £65K
Better Care Grant	1,500,000			-	1,500,000	772,901	52%	1,500,000	A total of £ 1.6 million has been committed with, 164 grants completed and 84 adaptations approved and in progress.
Energy Efficiency	40,000			-	40,000	39,481	99%	40,000	The scheme is fully committed however we are awaiting an Affordable Warmth Fund payment of £18,661 from Lancashire County Council. This will allow us to assist more households this year with energy efficiency measures and reducing fuel poverty.
Empty Homes Programme	1,100,000			-	1,100,000	613,816	56%	-	This year we have purchased 6 properties, with a further 4 with legal to complete. 12 Compulsory Purchase Orders (CPO) are being prepared and will commence over the coming months. Over 80 live cases are being worked on by the Empty Homes Officer some of which will convert into CPOs as the year progresses. So far this year we have completed 3 renovations with a further 3 to commence before the end of the financial year. We have received 45 empty home loan enquiries and 10 have been taken up so far this year. The budget for 2018/19 is fully committed and is anticipated to be fully spent by the year end of March 2019.
Interventions, Acquisitions and Demolitions	163,000			-	163,000	102,054	63%	-	This budget will be used to fund the neighbourhood improvement scheme in the Ingham and Lawrence Street selective licensing area which will see the front elevations of properties painted and improved.
	2,923,000	-	-	-	2,923,000	1,562,763	53%	1,660,000	
CHIEF EXECUTIVE / CORPORATE INITIATIVES									
Ward Opportunities Fund	99,159			-	99,159	18,969	19%	-	A range of small projects have received funding from Members. A significant underspend is projected at year end in line with previous years.
	99,159	-	-	-	99,159	18,969	19%	-	
LEISURE CLIENT									
St Peter's LC - Gym Refurbishment	220,000			-	220,000	-	0%	20,000	Scheme Complete with invoices to be paid shortly
	220,000	-	-	-	220,000	-	0%	20,000	
	10,326,544	94,716	(2,598,055)	(2,503,339)	7,823,205	3,875,322	50%	3,295,695	

2017/18 Cycle 3

7,500,591

3,079,464

41%

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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	743,293		230,447	512,846			-	743,293
Play Area Improvement Programme	170,015		2,500		54,500		113,015	170,015
Vehicle & Machinery Replacement	159,069		159,069					159,069
Calder Park	10,132		2,000				8,132	10,132
	1,082,509	-	394,016	512,846	54,500	-	121,147	1,082,509
Streetscene								
Burnley Town Centre Pedestrianisation Upgrade	13,615	13,615						13,615
River Training Walls	50,000				50,000			50,000
CCTV Infrastructure	65,331	65,331						65,331
Alleygate Programme	51,082				51,082			51,082
	180,028	78,946	-	-	101,082	-	-	180,028
Economy & Growth								
Vision Park	295,904	-		97,402	198,502			295,904
Padiham Townscape Heritage Initiative	60,000			60,000	-			60,000
Former Open Market & Former Cinema Block	570,353	273,156	297,197					570,353
Weavers Triangle - Starter Homes	52,271			52,271				52,271
NW Burnley Growth Corridor	772,029			772,029				772,029
Town Centre & Weavers Triangle Project Work	350,000	250,000			100,000			350,000
	2,100,557	523,156	297,197	981,702	298,502	-	-	2,100,557
Finance & Property								
Towneley Hall Building Works	10,000				10,000			10,000
Contribution to Shopping Centre Redevelopment	375,000		375,000					375,000
Padiham Town Hall - Flood Works	3,048		3,048					3,048
Rationalisation of Operational Estate	120,000				120,000			120,000
Leisure Centre Improvements	93,077	93,077						93,077
Building Infrastructure Works	616,827		157,960		458,867			616,827
	1,217,952	93,077	536,008	-	588,867	-	-	1,217,952
Housing & Development Control								
Emergency Repairs	120,000			120,000				120,000
Better Care Grant	1,500,000			1,500,000				1,500,000
Energy Efficiency	40,000			40,000				40,000
Empty Homes Programme	1,100,000					1,100,000		1,100,000
Interventions, Acquisitions and Demolitions	163,000					163,000		163,000
	2,923,000	-	-	1,660,000	-	1,263,000	-	2,923,000
Chief Executive								
Ward Opportunities Fund	99,159				99,159			99,159
	99,159	-	-	-	99,159	-	-	99,159
Leisure Client								
St Peters LC - Gym Refurbishment	220,000	200,000					20,000	220,000
	220,000	200,000	-	-	-	-	20,000	220,000
TOTAL OF ALL SCHEMES	7,823,205	895,179	1,227,221	3,154,548	1,142,110	1,263,000	141,147	7,823,205

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CAPITAL RECEIPTS AND CONTRIBUTIONS ANALYSIS FOR 2018/19 AND CIP 2019-24

APPENDIX 3

	<u>General Capital Receipts</u> £	<u>Vacant Property Initiatives Receipts</u> £	<u>Section 106 Money</u> £	<u>3rd Party Cont'ns</u> £	<u>Total</u> £
Capital Resources Brought Forward on 1 April 2018	1,090,856	2,703,316	229,981	65,399	4,089,552
Add					
Resources Received As At 30 December 2018:	567,043	147,113	47,272	191,102	952,530
Transfer between reserves	150,000	(150,000)	-	-	-
Further Resources Estimated to be Received during 2018/19:	123,950	-	-	20,000	143,950
Potential Resources Available during 2018/19	1,931,849	2,700,429	277,253	276,501	5,186,032
Less					
Required to finance Capital Programme	(1,142,110)	(1,263,000)	-	(141,147)	(2,546,257)
Earmarked for Revenue Expenditure	-	-	(2,345)	-	(2,345)
Earmarked for Delivery By Outside Bodies	-	-	(162,316)	-	(162,316)
Potential Capital Resources Carried Forward on 31st March 2019	789,739	1,437,429	112,592	135,354	2,475,114
Add					
Resources Estimated to be Received during 2019/20	292,500	1,199,000	-	500,000	1,991,500
Transfer between reserves	150,000	(150,000)	-	-	-
Less					
2019/20 Capital Budget	(974,784)	(1,600,000)	(41,242)	(550,600)	(3,166,626)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2020	257,455	886,429	71,350	84,754	1,299,988
Add - Resources Estimated to be Received during 2020/21	193,750	1,050,000	-	122,708	1,366,458
Less - 2020/21 Capital Budget	(661,145)	(1,400,000)	(53,350)	(180,360)	(2,294,855)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2021	(209,940)	536,429	18,000	27,102	371,591
Add - Resources Estimated to be Received during 2021/22	100,000	1,165,000	-	578,360	1,843,360
Less - 2021/22 Capital Budget	(747,483)	(1,400,000)	-	(578,360)	(2,725,843)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2022	(857,423)	301,429	18,000	27,102	(510,892)
Add - Resources Estimated to be Received during 2022/23	100,000	1,080,000	-	27,000	1,207,000
Less - 2022/23 Capital Budget	(500,720)	(1,400,000)	-	(27,000)	(1,927,720)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2023	(1,258,143)	(18,571)	18,000	27,102	(1,231,612)
Add - Resources Estimated to be Received during 2023/24	100,000	1,200,000	-	27,000	1,327,000
Less - 2023/24 Capital Budget	(148,504)	(1,400,000)	-	(27,000)	(1,575,504)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2024	(1,306,647)	(218,571)	18,000	27,102	(1,480,116)

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EXECUTIVE

BURNLEY TOWN HALL

Monday, 11th February, 2019 at 6.30 pm

89. Revenue Budget 2019/20

Purpose.

To consider the estimates of revenue income and expenditure for 2019/20 and to make recommendations to full Council about next year's Revenue Budget.

An amended populated Appendix 1 was circulated as a supplement to the agenda.

Reason For Decision.

To fulfil the Council's statutory obligation to calculate its Council Tax requirement as set out in Section 31A of the Local Government Act 1992 (as amended by section 74 of the Localism Act 2011).

To set a balanced budget for the financial year 2019/20 that ensures the viability of the Council and aligns resources to the Council's strategic priorities.

To bring empty homes back into use in line with the Council's strategic commitment.

Decision.

That Full Council be recommended to:

- (1) Endorse the approach that has been adopted in developing budget proposals that reflect the Council's Strategic Objectives for 2019/20;**
- (2) Approve the proposals contained in this report, including the amended populated Appendix 1;**
- (3) Set a Council Tax Requirement of £6,962,402 for the financial year 2019/20;**
- (4) Set a Net Budget Requirement of £15,814,610 for 2019/20;**
- (5) Receive and consider the statutory report issued by the Head of Finance and Property under the Local Government Act, 2003;**
- (6) Authorise the Chief Operating Officer/Heads of Service to progress action plans to deliver the 2019/20 budget;**

- (7) Approve a Council Tax (Band D) figure of £300.22 for this Council for the year commencing 1st April 2019 and adopt the statutory resolution to set the full Council Tax for the year. This is equivalent to a 2.99% Council tax increase; and**
- (8) Increase the additional Council Tax premium from 2019/20 onwards for properties that have been empty for over 2 years, from 50% to 100%. This will mean paying 200% Council Tax for these properties.**

REPORT TO THE EXECUTIVE



DATE	11th February 2019
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	Asad Mushtaq
TEL NO	(01282) 477173
EMAIL	amushtaq@burnley.gov.uk

Revenue Budget 2019/20

PURPOSE

1. To consider the estimates of revenue income and expenditure for 2019/20 and to make recommendations to full Council about next year's Revenue Budget.

RECOMMENDATION

2. The Executive is recommended to adopt the following resolution:

That full Council be recommended to:

- i) Endorse the approach that has been adopted in developing budget proposals that reflect the Council's Strategic Objectives for 2019/20;
- ii) Approve the proposals contained in this report;
- iii) Set a Council Tax Requirement of £6,962,402 for the financial year 2019/20;
- iv) Set a Net Budget Requirement of £15,814,610 for 2019/20;
- v) Receive and consider the statutory report issued by the Head of Finance and Property under the Local Government Act, 2003;
- vi) Authorise the Chief Operating Officer/Heads of Service to progress action plans to deliver the 2019/20 budget;
- vii) Approve a Council Tax (Band D) figure of £300.22 for this Council for the year commencing 1st April 2019 and adopt the statutory resolution to set the full Council Tax for the year. This is equivalent to a 2.99% Council tax increase.
- viii) Increase the additional Council Tax premium from 2019/20 onwards for properties that have been empty for over 2 years, from 50% to 100%. This will mean paying 200% Council Tax for these properties.

REASONS FOR RECOMMENDATION

3. To fulfil the Council's statutory obligation to calculate its Council Tax requirement as set out in Section 31A of the Local Government Act 1992 (as amended by section 74 of the Localism Act 2011).
4. To set a balanced budget for the financial year 2019/20 that ensures the viability of the Council and aligns resources to the Council's strategic priorities.
5. To bring empty homes back into use in line with the Council's strategic commitment.

SUMMARY OF KEY POINTS

BACKGROUND

6. This report summarises the key issues that elected Members will need to consider when finalising the Revenue Budget 2019/20. Under the constitution it is the Executive's duty to present detailed recommendations for Full Council to consider. The following appendices are related to the report.

Appendix 1	General Fund Revenue Summary 2019/20
Appendix 2	Growth
Appendix 3	Further Savings/Additional Funding Requirements
Appendix 4	Equality Impact Assessment

7. The schedule of proposed fees & charges, which forms an integral part of the budget process, was approved at the meeting of full Council on 19th December 2018.
8. The proposals contained within this report have been developed as a result of discussions and presentations at various Member and officer forums.
9. The Local Government Act 2003 sets out the requirements for sound financial management. Section 25 is particularly relevant when the budget and Council Tax for the coming year are being set. It requires the Chief Financial Officer to report on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides. This report is contained elsewhere on your agenda.
10. This budget has been developed following the principles set out in the Council's Medium Term Financial Strategy. The strategy emphasises the need to focus on the use of the Council's resources towards achieving the Council's stated objectives.
11. The Council has adopted an approach to producing the budget based upon the relative priority of all the services. However, at the heart of the Council's financial planning is a savings plan aligned to strategic intent.
12. In view of the tight financial constraints within which the Council has operated in recent years, there is little scope for growth in service provision. Appendix 2 shows further limited growth proposals.

SUMMARY OF THE REVENUE BUDGET POSITION 2019/20

13. The proposed net revenue budget for 2019/20 is as set out in the table below:

	£'000	£'000
Net Revenue budget - original 2018/19		15,090
Spending pressures reported September 2018	532	
Savings approved September 2018	<u>(901)</u>	(369)
Proposed Growth - Appendix 2		4
Further spending pressures (Corporate items) 2019/20		64
Transfer to Business Rates Volatility Reserve		1,058
Transfer to Revenue Support Reserve		100
Further savings proposed - Appendix 3		(133)
Net Budget requirement		<u>15,814</u>
Financed from:		
<u>Government Settlement Funding Assessment</u>		
Business rates baseline *		5,810
New Homes Bonus		607
Council Tax Yield		6,962
<u>Business Rates in addition to Baseline Funding</u>		
Additional business rates above baseline	2,228	
Renewable energy	<u>239</u>	2,467
Collection fund deficit - Burnley share		(32)
		<u>15,814</u>

* For 2019/20 only the Revenue Support Grant is incorporated into the Business Rates Baseline

Recap on Budget decisions taken September 2018

14. Members at Executive and Council in September 2018 approved budget savings of £901k for 2019/20, following receipt of the initial budget report that outlined a savings requirement of £1,028k. The information presented to Members at that time is shown below:

Position Approved September 2018:

	£'000
<u>Net Spending Increases/(Decreases)</u>	
Pay awards and increments	209
General inflation	313
Pensions Costs	60
Cost share agreement	-
Strategic Partnership - Additional Income	-
Reversal of one-off growth 2018/19	(39)
Borrowing costs & MRP	-
Other net continuation budget changes	-
Fees and charges increases	(39)
Growth	28
	<hr/>
	532
<u>Net Funding (Increases)/Decreases</u>	
Revenue Support Grant	614
Business Rates	(132)
New Homes Bonus	147
Council Tax - indicative 1.9% increase	<hr/> (133)
	496
<u>Savings and Funding Increases</u>	
Net savings	(901)
<u>Contribution to Earmarked Reserves</u>	
Budget Gap Remaining - September 2018	<hr/> 127 <hr/>

LOCAL GOVERNMENT SETTLEMENT

15. Spending Power
For 2016/17 onwards, the calculation of Spending Power only includes Revenue Support Grant, Business Rates, New Homes Bonus and Council Tax. The Council's Spending Power will reduce by 0.5% in 2019/20 (3.5% in 2018/19).
16. Settlement Funding Assessment (SFA)
SFA is set by the Government and comprises Revenue Support Grant (RSG - the general grant funding to local authorities) and the Baseline Funding Level for business rates income. It was estimated in the September Council report that RSG would reduce by 27.6% which was confirmed in the provisional settlement figure for 2019/20. However, as Burnley is part of the Lancashire Business Rates Pilot pool in 2019/20, RSG is now incorporated into Business Rates Baseline funding for 2019/20 rather than received as a separate grant.

17. New Homes Bonus

In the 2017/18 finance settlement the Government reduced the funding period for NHB from six years to five years in 2017/18 and then to four years in 2018/19 onwards for existing and new awards commencing in 2017/18 which will accelerate the rate at which this grant reduces.

18. In addition, from 2017/18 the Government set a baseline for housing growth of 0.4% of a Council's existing taxbase below which no NHB grant is payable. The baseline has remained at 0.4% for 2019/20.

FURTHER BUDGET PRESSURES AND SAVINGS IDENTIFIED

19. Further budget pressures and savings have, as is usual, been identified since the September Council meeting and the announcement of the local government finance settlement for 2019/20. Appendix 3 shows the residual budget gap as at September 2018 and the identified additional pressures and savings to balance the 2019/20 budget.

GROWTH PROPOSALS

20. Given the continuing and sustained budget pressures being faced, there is very little scope for continuing growth unless the Council's priorities demand new spending in key areas. A balanced approach needs to be taken to ensure priority issues are achieved.
21. Consequently, only one item of revenue budget growth is included within the proposals for 2019/20. The growth item is shown in Appendix 2 for information and has been included within the revenue budget for 2019/20.

COUNCIL TAX

22. The proposals in this paper assume that the Council's Band D Council tax will increase by 2.99% from the 2018/19 level of £291.50 to £300.22. This level of charge will yield an estimated total income of £6,962,402.
23. Guidance has been received from central government on the criteria for Council tax increases that would trigger a local referendum. This guidance indicates that "if an authority's relevant basic amount of council tax is excessive a referendum must be held in relation to that amount". For 2019/20, the relevant basic amount of council tax of a shire district Council is excessive if the authority's relevant basic amount of council tax for 2019/20 is 3%, or more than 3%, greater than its relevant basic amount of council tax for 2018/19.

COUNCIL TAX PREMIUM

24. Under government proposals that came into force for 2012/13, designed to get long term empty properties back into use, the Council chose to apply a 50% empty homes premium to properties empty and unfurnished for over two years. This meant that the owner would need to pay 150% of the annual Council Tax charge. Updated Government proposals give the freedom to Councils to extend this to 100% from 2019/20, meaning the owner would need to pay 200%, which is the recommendation of this report.

25. A forecast for the increased charges collectable by increasing the premium is £325k for 2019/20. However, of this Burnley's share would £47k. Although it should be noted that the collection rate significantly reduces for properties with Council Tax premiums applied (75% in 2017/18 compared to a general 95% target) and further premiums are expected to decrease the collection rate even more. However, the utilisation of the premium is intended to bring empty homes back into use rather than generate revenue.
26. Government have also given further discretion to Councils from 2020/21 (200% premium for properties empty for 5 – 10 years) and 2021/22 (300% premium for properties empty for 10 years plus). However, these proposals will be considered in due course in conjunction with an impact assessment on properties brought back into use through use of premiums.

BUSINESS RATES

27. The expected amount of business rates to assist in funding the Council's spending next year is included as part of the Government's 2019/20 funding settlement. The figure announced is £5.180m. The table at paragraph 12 above shows that it is expected that the Council will receive Business Rates in excess of the announced figure – an extra £2.228m. This is an increase of £1.058m over the amount expected in 2019/20 and will be transferred to the Business Rates Volatility Reserve.
28. The indicative figure from the Government for business rates relates to the system of business rates retention involving a distribution of rates collected to the Council, the County Council, the Combined Fire Authority and Central Government. Some elements of business rates are however fully credited to this Council. One element of business rates which falls within this category is sustainable energy. A sum of £239k is estimated to be receivable next year in respect of sustainable energy business rates which are a significant factor in balancing the revenue budget in 2019/20 and future years. This represents an increase of £4k over the amount expected in 2018/19.
29. Any excess Business Rates are subject to a Government levy which substantially reduces the amount due to the Council. The levy calculation is adjusted for any section 31 grants, received by the Council arising from the reliefs announced by the Government during the Spring and Autumn Budgets, and for any local discretionary reliefs granted under section 47 powers. During the provisional 2019/20 finance settlement announced in December 2018, the Government approved the formation of the Lancashire Business Rates Pool as part of its 75% retention Pilot scheme for 2019/20 only. As a consequence of this and of currently being part of a pool, the levy that the Council would previously have had to pay to Central Government will be retained locally.
30. As part of the ongoing consultation around the new business rate retention proposals, the Government is proposing a reset, or partial reset, of the amount of Business Rates each Council expects to receive. A reset would mean that any previous growth in business rate income above the expected amount, achieved under the existing system, would be lost. This would mean an additional pressure on council's that had used any excess Business Rates income when balancing their annual budgets. It is expected that the new system of accounting for Business Rates will come into effect in 2020. However, details at this stage of how funding will affect Burnley Council is not yet known.

COLLECTION FUND SURPLUS

31. Council Tax Element

A surplus or deficit can arise for two reasons, namely:

- i) The Council's share of a variation in the amount of Council tax that is actually due and charged for the year in question compared with the figure assessed when the Council tax base for the year is calculated.
- ii) The Council's share of a variation in the amount that needs to be provided for taxes that the Council is unable to recover in each financial year.

This year's calculation has produced an overall deficit figure of £201k of which this Council's share is £32k which is 15.9% as a proportion of the overall total.

COMMERCIAL STRATEGY & FEES AND CHARGES

32. The Council has developed and approved a commercial strategy. This is intended to promote a more commercial approach to the Council's business and finances and reflects the changed environment in which the Council now operates with the establishment of major contracts for service delivery including the strategic partnership with Liberata. Part of this commercial approach is linked to maximising where possible the income which the Council receives from fees and charges. Further work will be undertaken in 2019/20 in this area.
33. During the budget process, it has been assumed that income budgets would increase in 2019/20 reflecting a corresponding increase, where practicable, in fees and charges levied. Heads of Service were therefore asked to review their fees and charges in the context of an assumed minimum overall increase of 3% in income generated except in areas where it was considered that no increase should take place. It was decided that the increase should take effect from 1st January 2019 as has been the case previously. The tariff of fees and charges mainly effective from 1st January 2019 was approved by full Council on 19th December 2018. The estimated additional increase in income in 2018/19 as a consequence of the approved increases is £39k and forms part of the overall savings approved in September 2018 to balance the budget.

STRATEGIC EARMARKED RESERVES AND GENERAL FUND RESERVE

34. It is important that, when considering the Revenue Budget, due consideration is given to the levels of strategic earmarked reserves that are available and held for future liabilities. The General Fund reserve is held to provide a working balance to help cushion the impact of unexpected emergencies and uneven cash flow.
35. The table below shows the anticipated use of strategic reserves for 2019/20 and later years. 40. The overall forecast position on reserves is shown in the table below. This includes all strategic earmarked and general reserves. The forecast below includes current approved and future commitments, future anticipated spend and future anticipated income into the reserves. This table excludes any reserves held for specific operational reasons:

	Strategic Earmarked Reserves £'000	General Reserve £'000	Budget Support Reserve £'000	Total £'000
Balance as at 01/04/18	5,049	1,379	-	6,428
Approved use to Q3 2018/19	(1,627)	-	54	(1,573)
Balance available after approvals	3,422	1,379	54	4,855
Future commitments and risks	(3,081)	-	1,904	(1,177)
Balance remaining	341	1,379	1,958	3,678

36. The Revenue Support Reserve is essential to provide resilience for the Council in light of reduced funding. As the authority adjusts to meet the pressures of reductions in Government funding, as well as awaiting the outcome of central government's funding review, which will govern local government funding from 2020/21 onwards, it has become increasingly challenging to produce savings annually as the authority contracts in resource and size. Savings proposals will carry more risk of successful implementation, whether they are income or expenditure-related. The Revenue Support Reserve will be required to provide temporary mitigation for some of these risks. However, the purpose of the reserve is also to temporarily provide for unanticipated reductions in income, provide for unexpected revenue spend and to support shortfalls in major capital projects beyond their business cases and after their allocated reserves are exhausted. The above forecast assumes a 10-year programme to build-up this reserve from the General Fund.

RISK ASSESSMENT

37. A risk assessment has been carried out on key areas of income and expenditure and ways of monitoring and mitigating the risk have been identified where possible.
38. Two major capital schemes – Pioneer Place and Sandygate Square Development - saw their funding report approved at Full Council in December 2018. These represent significant long-term costs for the Council, and will require a material amount of borrowing over 30 to 50 years, with payback dependent on the success of the schemes. This carries significant financial risk for the authority and is an important element of the financial horizon of this Council. As part of mitigation strategies for these schemes a revenue support reserve has been set up this year with ongoing budget commitment to build up a balance over 10 years to somewhat protect the Council from shortfalls in income relating to this scheme or generally to support and budgetary shortfalls. It should be noted however that before the Pioneer Place construction commences the scheme requires:
- i. a pre-let to be completed for the new supermarket on Manchester Road;
 - ii. a pre-let to be completed for the new cinema on Pioneer Place; and
 - iii. pre-lets to be completed for 75% of the remaining units on Pioneer Place including Unit 2 adjacent the cinema, with the said pre-lets achieving a minimum of 75% of

the estimated full rent payable.

39. An important issue to consider is the extent to which the Council will be utilising earmarked reserves and non-recurring income when setting the budget. Initiatives that are to be funded from earmarked reserves do not have assumed ongoing funding and the Council must therefore plan in future years to discontinue these activities or approve growth if they are to continue. The latter course of action would add to the savings requirement. It is not considered that the extent of funding from earmarked reserves factored into the 2019/20 revenue budget is unduly onerous and the levels of reserves forecast will be sufficient in accordance with the medium term financial strategy (MTFS).
40. There are risks associated with the business rates system. The proposed elimination of Government grant funding through RSG by 2020 makes these risks more significant. An increasing proportion of the Council's funding requirement will need to be met from business rates. The Council remains optimistic that the business rates system can provide positive benefits through the stimulation of economic growth but there is the possibility of less than anticipated receipts through factors beyond the Council's control. Progress will therefore be carefully monitored to ensure that the Council's position is safeguarded.
41. Declining levels of income also continue to be a significant risk area and although substantial reductions in income receivable have been made to reflect current economic conditions there may be a further decrease in income levels supporting the revenue budget. This will be closely monitored as part of budget monitoring for 2019/20.
42. Pay inflation has been increased by 2% in 2019/20 and future years. There is little price inflation included within the estimates for non-salary budgets. However, general levels of inflation as measured in the retail prices index and the consumer prices index will increase in the future and this may lead to demands for higher pay and an increase in the prices of goods and services which the Council has to meet. The risk of any increase in inflation is considered likely in the existing climate and will be closely monitored.
43. Significant savings have been achieved by operating the Council's leisure services as a charitable company but there are however risks in the operation of the Trust and the assumptions made in terms of the management fee paid by the Council to the Trust. To ensure that risk is minimised there will continue to be regular monitoring of activity and financial performance in 2019/20 and beyond.
44. The Council entered into a contract with Liberata as our external service provider for around a third of Council services from 1st January 2016. The financial planning assumptions provided for a significant saving on previous in-house provision. It will be necessary to ensure that these savings are being delivered whilst maintaining service quality and standards. Procedures have been drawn up to enable the new partnership to operate effectively. Nevertheless this is a significant savings area which is currently and will continue to be, actively managed.
45. In summary, after taking consideration of the issues in this report and the risks referred to above, the 2019/20 revenue budget may be approved. Also, the assumed level of Council Tax that should be set in order to achieve a balanced budget as set out above should be confirmed.
46. The final decision that Members of the Council take will need to reflect the statutory (Section 25) report of the Chief Finance Officer as to the robustness of the assumptions

that have been made in compiling the budget.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

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

POLICY IMPLICATIONS

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

49. Community Impact Assessment and Equality Impact Assessments have been completed for the additional savings proposals that are contained within Appendix 3. The Assessments are included as Appendix 4.

DETAILS OF CONSULTATION

50. None.

BACKGROUND PAPERS

51. None.

FURTHER INFORMATION

PLEASE CONTACT:

**Asad Mushtaq – Head of Finance and
Property**

ALSO:

Summary Revenue Budget 2019/20

<u>Estimated Net Spending</u>	Pay	Non-Pay	Reserves	Net Spending
<u>Service</u>	£'000	£'000	£'000	£'000
Management Team	331	9	-	340
Policy & Engagement	434	(44)	-	390
People & Development	171	47	-	218
Green Spaces and Amenities	1,961	(1,101)	-	860
Legal & Democratic Services	710	286	-	996
Finance & Property	870	369	-	1,239
Revenues and Benefits	-	(1,332)	-	(1,332)
Leisure Trust Client	-	617	-	617
Streetscene	1,049	2,036	-	3,085
Housing and Development Control	1,234	(963)	-	271
Economy & Growth	1,097	(262)	-	835
Strategic Partnership	-	3,603	-	3,603
Corporate Budgets	1,716	773	-	2,489
Earmarked Reserves	-	-	2,203	2,203
	<u>9,573</u>	<u>4,038</u>	<u>2,203</u>	<u>15,814</u>

Net Budget Requirement

	£'000	£'000
Collection Fund Deficit		(32)
Business Rates Retention Scheme		
Business Rate Baseline Funding	5,810	
Additional Business Rates Forecast – Burnley Element	2,228	
Additional Retained Income - Renewable Energy Schemes	<u>239</u>	8,277
Council Tax Yield		6,962
New Homes Bonus		607
		<u>15,814</u>

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without

2019/20 Revenue Budget**Growth Proposals**

	Ongoing £'000	One-off £'000	Total £'000
Public Funerals	4	-	4
Total Growth	4	-	4

without

REVENUE BUDGET 2019/20**Summary of Budget Gap Remaining and Savings**

	£'000	£'000
<u>Budget gap reported September 2018</u>		127
<u>Finalisation of continuation estimates 2019/20</u>		
<u>Further Increases/(Decreases) - Net Spending Pressures</u>		
Annual contribution to Revenue Support Reserve	100	
Pay and increments forecast adjustment	29	
Income adjustments	23	
Growth (see Appendix 2)	4	
Reduction in Pension Costs	(69)	
Various net adjustments in finalising continuation estimates	10	97
<u>Further (Increases)/Decreases - Funding</u>		
Additional New Homes Bonus	(5)	
Adjustment to Business Rates Baseline Funding	4	
Additional 1% Increase in Council Tax and Growth (assuming a 2.99% increase)	(90)	(91)
Residual budget gap - February 2019		133
less: <u>Further Savings - February 2019</u>		
Deletion of vacant post - Policy & Engagement	(29)	
Policy and Engagement - operational savings	(4)	
Finance Transformation Programme savings	(10)	
Legal and Democracy - operational savings	(22)	
Markets operational savings	(5)	
Deletion of vacant post - Economy & Growth	(15)	
Realign homelessness service	(16)	
Review of recharges to Selective Licensing	(24)	
Reduce contribution to Pennine Lancashire Building Control	(8)	
		<u>(133)</u>
		<u>-</u>

APPENDIX 4 - EQUALITY IMPACT ASSESSMENT

REVENUE BUDGET SAVINGS PROPOSALS 2019/20

1.	Title of EIA	Equality Impact Assessment – Revenue Budget Savings Proposals 2019/20
2.	Person responsible for the assessment	Rob Dobson
3.	Contact details	01282 475 842 rdobson@burnley.gov.uk
4.	Date of assessment	Completed 21st January 2019

SUMMARY

The outcome of this equality impact assessment is that all proposals being currently considered for savings in 2019/20 are neutral in terms of their impact on people with protected characteristics under equalities legislation.

OBJECTIVE

1.	What is the main purpose of the project?	To set a budget for the council in 2019/20 that: <ul style="list-style-type: none"> is in line with the agreed Medium Term Financial Strategy; responds to the financial challenges facing the council; enables the council to continue its focus on agreed priorities.
2.	Who are the main stakeholders?	Stakeholder analysis showed that the main stakeholders are Burnley Council's: <ul style="list-style-type: none"> service users residents/Council tax payers Councillors; and Council employees.
3.	How are they expected to benefit?	Through the council ensuring a sustainable future for its services through good financial management and transparent decision making to determine priorities.
4.	How will the change be implemented?	The budget will be agreed through decision making structures and processes in line with the council constitution. The agreed budget in 2019/20.
6.	Is the responsibility for the proposed function shared with another department or authority	The decisions on council budget rest with the council.

	or organisation?	
--	------------------	--

A. DATA COLLECTION

1.	Approach and background to EIA analysis, including data collection	Budget proposals drawn up by service managers.
2.	What monitoring data do you have on the number of people (from different equality groups) who are using and could be impacted upon by the change in function?	Various data sources are held, including: <ul style="list-style-type: none"> • Analysis of workforce profile • Analysis of services • Census data.

B. COMMUNICATION AND INVOLVEMENT

1.	What information has assisted in completing this EIA?	Guidance including information contained on the Equalities and Human Rights Commission website has been considered.
2.	What communications activities have assisted in completing this EIA?	There has been consultation on the principles underlying the council's Medium Term Financial Strategy, and comments from that consultation have been considered during the EIA work.

Group	Area/s of impact	Positive impact	Negative impact – specified as high, medium or low	Neutral impact	Reason
Age	All areas of impact ¹			✓	All impacts in respect of people in this group were identified as neutral.
Disability	All areas of impact			✓	All impacts in respect of people in this group were identified as neutral.
Gender reassignment	All areas of impact			✓	All impacts in respect of people in this group were identified as neutral.
Marriage and civil partnership	All areas of impact			✓	All impacts in respect of people in this group were identified as neutral.
Pregnancy / and maternity	All areas of impact			✓	All impacts in respect of people in this group were identified as neutral.
Ethnicity	All areas of			✓	All impacts in respect of

¹ 'All areas of impact' refers to the detailed list of proposed revenue budget savings proposals 2019-20

Group	Area/s of impact	Positive impact	Negative impact – specified as high, medium or low	Neutral impact	Reason
	impact				people in this group were identified as neutral.
Religion and belief	All areas of impact			✓	All impacts in respect of people in this group were identified as neutral.
Sex (gender)	All areas of impact			✓	All impacts in respect of people in this group were identified as neutral.
Sexual orientation	All areas of impact			✓	All impacts in respect of people in this group were identified as neutral.

Equality impact assessment action plan

A review of the implementation of the budget proposals will be carried out by an appropriate council officer, to identify if any equality impact issues have arisen. This will take place on a timetabled basis in September 2019, or earlier if issues are reported to the council. A specific area of focus will be to ensure that the relocation of customer service centre maintains or improves accessibility for older people, people with disabilities and people living with long term limiting illnesses such as dementia.

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EXECUTIVE

BURNLEY TOWN HALL

Monday, 11th February, 2019 at 6.30 pm

90. Medium Term Financial Strategy 2020/21 to 2023/24 Including Reserves Strategy

Purpose.

To consider the longer term financial outlook within the context of a Medium-Term Financial Strategy covering the financial years 2020/21 to 2023/24, highlighting uncertainties, underlying risks and make recommendations to Council. The Medium-Term Financial Strategy should be read in conjunction with the revenue budget 2019/20 and the associated statutory report of the Chief Finance Officer.

Reason For Decision.

Professional accounting practice recommends that a medium term financial strategy is in place to ensure that resources are aligned to strategic intent and business objectives. It also provides a firm and robust basis on which to prepare the annual budget. Given the current financial climate, the need for consideration of the medium term financial position is pertinent to ensuring sustainable service delivery and for the Council to remain viable as a going concern.

Decision.

- (1) That Full Council be recommended to approve the latest Medium-Term Financial Strategy;**
- (2) That Full Council be recommended to approve the Reserves Strategy, as appended to the Medium-Term Financial Strategy; and**
- (3) That Full Council be recommended to note that a refreshed document will be provided when required as an aid to monitoring the continued delivery of an annually balanced budget.**

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REPORT TO THE EXECUTIVE



DATE	11th February 2019
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	Asad Mushtaq
TEL NO	01282 477173
EMAIL	amushtaq@burnley.gov.uk

Medium-Term Financial Strategy – 2020/21 to 2023/24 Incorporating the Reserves Strategy

PURPOSE

1. To consider the longer term financial outlook within the context of a Medium-Term Financial Strategy covering the financial years 2020/21 to 2023/24, highlighting uncertainties, underlying risks and make recommendations to Council. The Medium-Term Financial Strategy should be read in conjunction with the revenue budget 2019/20 and the associated statutory report of the Chief Finance Officer.

RECOMMENDATION

2. The Executive is asked to recommend to full Council:
 - 2.1 Approval of the latest Medium-Term Financial Strategy;
 - 2.2 Approval of the Reserves Strategy, as appended to the Medium-Term Financial Strategy; and
 - 2.3 Note that a refreshed document will be provided when required as an aid to monitoring the continued delivery of an annually balanced budget.

REASONS FOR RECOMMENDATION

3. Professional accounting practice recommends that a medium term financial strategy is in place to ensure that resources are aligned to strategic intent and business objectives. It also provides a firm and robust basis on which to prepare the annual budget. Given the current financial climate, the need for consideration of the medium term financial position is pertinent to ensuring sustainable service delivery and for the Council to remain viable as a going concern.

SUMMARY OF KEY POINTS

4. A Medium-Term Financial Strategy (MTFS) is a key component of the Council's strategic planning process, aligning resources to service priorities and providing early identification of requirements for efficiency and cost improvement programmes. The MTFS provides an overarching framework for, and context to, the preparation of the annual budget. It provides an indicative headline position of the overall financial health of the Council, providing early sight of issues for full consideration by the Council and Executive.
5. Council will be aware that the 2019-21 MTFS was approved in February 2018. This report provides an update to the figures presented in that report based on the details issued by government as part of the provisional financial settlement for 2019/20 in December 2018, as well as incorporating a further 4 years, namely 2020/21, 2021/22, 2022/23 and 2023/24. These additional years bring the format of the report and monitoring in line with new Capital Strategy, which is elsewhere on this agenda.
6. The Strategy has been developed using the latest information available. Assumptions and risks built into the Medium-Term Financial Strategy are documented within the Strategy at paragraphs 26 and 33 respectively. The headline reduction, over the four financial years 2020/21, 2021/22, 2022/23 and 2023/24, is a cumulative budget gap of £4.5m (29.0% of the 2019/20 net budget of £15.815m).
7. The financial environment in which the Council operates within is challenging, particularly within the context of continuing austerity. Given the reduced government funding and pressure on other income, the Council endeavours to meet those financial challenges taking a strategic view whilst protecting the quality of services and minimising impact on residents.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

8. There are no direct financial implications arising from this report.

POLICY IMPLICATIONS

9. The Medium Term Financial Strategy is a key document in ensuring the delivery of Council objectives and developing the strategic priorities.

DETAILS OF CONSULTATION

10. No external consultation has been carried out.

BACKGROUND PAPERS

11. None.

FURTHER INFORMATION

PLEASE CONTACT:

Asad Mushtaq, Head of Finance and Property

ALSO:

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MEDIUM-TERM FINANCIAL STRATEGY

2020/24



Table of Contents

INTRODUCTION3

FINANCIAL CONTEXT3

CORE SPENDING POWER.....4

BUSINESS RATES PILOTS 75% RETENTION.....6

NEW HOMES BONUS7

COUNCIL TAX INCREASES8

AN IMPACT ASSESSMENT OF THE REVENUE BUDGET 2019/20 ON FUTURE YEARS8

POTENTIAL GAP FOR 2020/21, 2021/22, 2022/23 and 2023/24.....9

BALANCING OVER THE MEDIUM TERM12

RISKS13

RESERVES & BALANCES15

MONITORING & REVIEW16

APPENDIX 1 : RESERVES STRATEGY18

BACKGROUND.....18

LEGISLATIVE/REGULATORY FRAMEWORK.....18

ROLE OF THE CHIEF FINANCIAL OFFICER.....19

PURPOSE OF RESERVES & BALANCES19

RISK FACTORS20

REPORTING FRAMEWORK.....20

STRATEGIC RESERVES PROTOCOL21

OPERATIONAL RESERVES PROTOCOL.....21

INTRODUCTION

1. This strategy provides an overarching framework which sets out the context in which future decisions on resource allocation and budgeting will be taken. The primary purpose of this Strategy is to provide an indication of the future financial position of the Council and in turn inform the annual budget setting process. It quantifies the likely level of resources that are available to deliver the Council's services and achievement of its core strategic objectives as set out in the Strategic Plan.
2. The Council continues to face challenging reductions in funding and will do so for the foreseeable future. Increasingly the ability to achieve strategic objectives is coupled with the need to deliver cash savings and cost reductions. Consequently, it is imperative that resources are allocated following an assessment of strategic priorities and that annual budget decisions are aligned to those priorities.
3. This Strategy includes:
 - Financial context and a high level overview of funding changes likely to affect the strategy;
 - An impact assessment of the Revenue Budget 2019/20 on future years;
 - Gap analysis for 2020/21, 2021/22, 2022/23 and 2023/24 and underlying assumptions;
 - Balancing the medium term;
 - Risks;
 - Reserves Forecast;
 - Monitoring and Review.
4. This Strategy reflects the approach adopted in a number of other strategies and policies adopted by the Council, which should be read in conjunction with this document. These include the Revenue Budget 2019/20, the Statutory Report of the Chief Finance Officer and the Treasury Management Policy. In addition the Reserves Strategy is a key document and is included as an appendix to this document.
5. The medium-term financial planning process has been in place for a number of years and is now an established part of the budget setting process. It provides a forecast of the cost of continuing to provide existing levels of service and the resources that are likely to be available to the Council over the period. It sets out the potential budget gap to inform the Executive and Full Council and to determine the overall size of the efficiencies and cost reduction programme needed over the medium term.

FINANCIAL CONTEXT

6. The major aspects of the local government settlement for 2019/20 as they affect 2020/21, 2021/22, 2022/23 and 2023/24:
 - The Government's intention to phase out Revenue Support Grant by 2020

- The level of Council tax increase (excluding any social care) beyond which a referendum is required has been maintained at 3% for 2019/20
- The calculation of Core Spending Power
- Continuation of New Homes Bonus - from 2017/18 the Government introduced a baseline for housing growth, 0.4% of a Council's band D equivalent properties, which will be deducted from the grant calculation each year. The settlement confirms this also applies to 2019/20
- The Government is currently in the process of reviewing the components of the business rates retention system, both individually and in aggregate, and the role they can play in providing a strong incentive for local authorities to grow the business rates in their area while minimising complexity. This reform of the system fits with the Government's aim to introduce 75% business rate retention in 2020, in a way that is fiscally neutral.
- Confirmation of the Lancashire Pool being accepted as one of the Business Rates Pilots for 2019/20

CORE SPENDING POWER

7. In previous years, the government stated that Core Spending Power reductions between financial years was limited to a maximum reduction and additional grant was provided to those authorities to ensure that they did not experience losses greater than this maximum reduction. The calculation of Core Spending Power has changed over the years and is not limited to general government revenue grant and business rates but has also included council tax receipts, New Homes Bonus and other specific grants. This means that the headline percentage reduction quoted by the government also takes into account income from sources other than core general government revenue grant, and is not representative of only direct government funding.
8. The methodology of the Core Spending Power calculation for 2019/20 includes Revenue Support Grant, Business Rates baseline funding, Council Tax and New Homes Bonus. As with 2018/19, no maximum decrease in spending power has been set for 2018/19. Burnley's Core Spending Power will reduce by 0.5% in 2019/20 (3.5% in 2018/19). Given that no maximum decrease has been set there will also be no payment of ESG in 2019/20.
9. A comparison of Burnley Spending Power with other local authorities is shown in Table A. Burnley has consistently faced Spending Power reductions significantly above the national average, and in fact in 2019/20 will see a further 0.5% reduction; in comparison to 2018/19 whilst the England average will see a 2.8% increase.

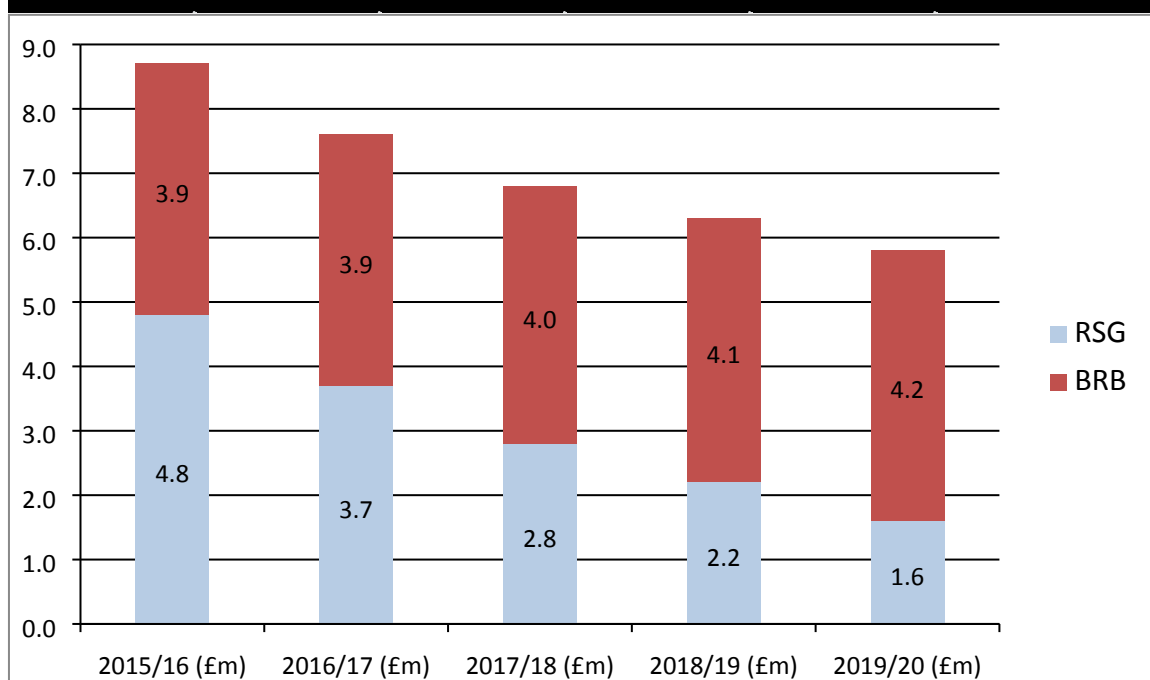
**TABLE A
SPENDING POWER REDUCTION /
(INCREASE)**

Year	Burnley (%)	England Average (%)	Ratio
2015/16	6.4	1.8	3.6 times
2016/17	4.4	2.8	1.6 times
2017/18	4.3	1.1	3.9 times
2018/19	3.5	(1.5)	N/A*
2019/20	0.5	(2.8)	N/A*

**n/a in 2018/19 and 2019/20 as England average is an increase when compared to a decrease for Burnley*

10. However, whilst the headline Core Spending Power reduction for Burnley is 0.5% for 2019/20, there is a much greater 27.6% cash reduction in Government Revenue Support Grant funding, which for Burnley in 2019/20 is rolled into the Business Rates funding mechanism due to be being part of the 75% retention pilot. The former Revenue Support Grant (RSG) element of the settlement for 2019/20 will be £1.614m (£614k less than in 2018/19). The direction of travel nationally is for local government to be funded from local revenues only in the longer term (as shown in Table B):

**TABLE B
BURNLEY'S SETTLEMENT FUNDING ANALYSIS**



11. Whilst this would be a concern nationally, the reduction will impact Burnley greater as it is more heavily dependent on government funding than other

Councils which have greater buoyancy in the council tax base. This can be shown in Table C below:

TABLE C		
% SPENDING POWER FINANCED THROUGH REVENUE SUPPORT GRANT & EFFICIENCY SUPPORT GRANT		
Year	Burnley (%)	England Average (%)
2015/16	30	18
2016/17	25	16
2017/18	20	9
2018/19	16	3
2019/20	12	3

12. The Government's current intention is that the 2019-20 settlement will confirm the final year of the multi-year settlement that has provided certainty for 4 years. The 2019 Spending Review will confirm overall local government resourcing from 2020-21, and the Government is working towards significant reform in the local government finance system in 2020-21. This means that there will be a greater demand on Council tax payers and businesses locally over the coming years if this loss of RSG funding is to be mitigated. The Council will continue to work towards the release of further efficiency savings but the change in Government funding will mean an increased reliance on local tax revenues whilst at the same time placing additional pressure in providing Council services. These future levels of funding will not be known until the spending review and redesign of local government funding completes, scheduled to be late 2019. However, it should be noted that as RSG will not be paid as a grant in 2019/20 and will in effect be part of Burnley's business rates baseline for 2019/20 there is a small element of risk attached to this if collection falls short of expectation. However, this is considered a minor risk given the expected collection of Business Rates forecast in 2019/20.

BUSINESS RATES PILOTS 75% RETENTION

13. The Ministry of Housing, Communities and Local Government (MHCLG) published its pilot prospectus for 2019/20 on the 24 July 2018 to seek applications to test a new scheme of business rates retention based on a 75% retention model. The main points of the 2019/20 pilots are:
- The 2019/20 pilots will be at 75% Business Rates Retention i.e. lower than the 100% pilots of 2017/18 and 2018/19;
 - The 'no detriment' clause applied to the 2017/18 and 2018/19 pilots will not apply to pilots set up for 2019/20. This meant that any pool operating under the 2017/18 and 2018/19 pilots would not be any worse off than they would have been under the existing 50% BRR scheme;
 - There will be a mandatory safety net set at 95% to reflect the additional risk locally that 75% retention introduces. This will apply pilot wide and not to individual authorities, therefore any authority with a shortfall against their

- business rate baseline will be absorbed within the pool. As with the previous pilots, no levy will be paid;
- Revenue Support Grant will be rolled into the existing baseline need;
14. The proposed application from Lancashire consisted of all current pool members, plus Blackpool, Blackburn and Preston. This left Lancaster as the only authority not to participate as they have quantified the risks to them as too great, given the vulnerability of their business rates position due to the two power stations. The application was ultimately successful and will come into force for 2019/20
 15. In 2018/19 Burnley are part of a Lancashire pooling arrangement which allows constituent members to come together and be treated as a single member of a business rate pool to combine their funding calculations under the business rate scheme, effectively adding their numbers together for all elements of the funding calculation, such as the tariff and top-ups. The benefit to be gained is that collectively, it produces a lower percentage levy calculation. Each authority continues to retain the growth in its business rates income that it would have retained as an individual authority outside of the pool. However, as part of a pool the Council would no longer be required to pay any levy to Central Government.
 16. The Lancashire application set out what the tier splits would be for each member. Based on the existing 50% scheme there would potentially be 25% extra growth to be shared out between districts, Lancashire County Council and Fire & Rescue.
 17. Prior to 2013/14, business rates were collected by local government and paid into a national pool and redistributed to local government as part of formula funding. This meant, for councils such as Burnley any variation in business rates collected (i.e., any increase in business rates or any reduction in business rates collected locally) did not affect the Council's financial performance as the Council's contribution from the national pool was fixed as part of the local government settlement.
 18. Burnley has had some success in growing its business rate base over the last four years and an increase in business rates above the baseline figure has been factored into the 2019/20 revenue budget. Additional income of £2.2m is included within the 2019/20 budget. However, there is still a great deal of uncertainty over this funding due to the extent of business rate appeals and demands to invest in economic growth. As a consequence, no further increase in business rates has been factored into this financial forecast.

NEW HOMES BONUS

19. The national funding formula has been incentivised to encourage councils to build additional homes. As such councils are rewarded as part of the New Homes Bonus (NHB) to build homes or bring back into use existing stock. In addition, an enhanced rate is paid for social housing. The 2017/18 budget settlement changed the formula for the NHB calculations. NHB is originally paid for 6 years but was

reduced to 5 years in 2017/18 and will further reduce to 4 years from 2018/19 onwards. This will be applied retrospectively to existing NHB allocations.

20. As mentioned earlier, the Government introduced a baseline for housing growth of 0.4% from 2017/18, up to which, the Council will receive no new allocation. The baseline for 2019/20 has remained at 0.4%. This means that the first 122 properties. The Government will review the baseline level for subsequent budget settlements. Consequently, the known reductions referred to above have been included within the MTFs but any increase in NHB has not been factored into the financial forecast for future years.

COUNCIL TAX INCREASES

21. For 2018/19 and 2019/20 guidance issued by central Government requires a referendum where proposed Council tax increases are 3% or more than 3%. This has increased from the 2% allowed in 2017/18.
22. The Council recognises the impact that council tax has on local residents and will always take their ability to pay into consideration when setting council tax levels. The Council should adopt an approach where local sources of funding are maximised as far as is reasonably practicable to do so. However, a 1.99% council tax increase has been factored into the medium-term financial forecast for each year for financial planning purposes only. Clearly, any decisions on setting future council tax levels will be considered each year at Budget Council.
23. The financial impact each year of not increasing council tax at all is an additional pressure of around £135k, assuming a 1.99% rise is foregone.

AN IMPACT ASSESSMENT OF THE REVENUE BUDGET 2019/20 ON FUTURE YEARS

24. The Medium-Term Financial Strategy for 2020-24 is dependent on the delivery of a number of assumptions within the annual budget for 2019/20. This strategy assumes that:
 - the Council will approve an annual budget that delivers savings and increased funding totalling £1.02m without having to use reserves to support the delivery of the 2019/20 Revenue Budget;
 - the Council receives the estimated business rates assumed in the calculation of the baseline funding level and any additional business rates included as funding within the approved net revenue budget; and
 - the assumed costs of delivering the Council's services both directly and indirectly is in line with planning assumptions.
25. These assumptions are a realistic assessment of the underlying financial position as shown in the Medium-Term Financial Strategy. The annual budget will be approved in February 2019.

POTENTIAL GAP FOR 2020/21, 2021/22, 2022/23 and 2023/24

26. The overall funding gap for 2020/24, using planning assumptions, is summarised below:

	Reduction from 2018/19 Provisional Settlement (average 4% reduction of Core Spending Power)	
	(£m)	%
Anticipated funding reduction	0.7	
Pay and Prices/other	0.2	
Potential Gap 2020/21	0.9	6.3
Anticipated funding reduction	0.7	
Pay and Prices/other	0.6	
Potential Gap 2021/22	1.3	9.1
Anticipated funding reduction	0.8	
Pay and Prices/other	0.4	
Potential Gap 2022/23	1.2	8.0
Anticipated funding reduction	0.7	
Pay and Prices/other	0.4	
Potential Gap 2023/24	1.1	7.4
Cumulative Potential Gap 2020/24	4.5	30.8

27. Underlying assumptions included within the forecast are:

- Council tax will increase by 1.99% each year;
- No increase has been factored in for non-inflationary changes in council tax base; business rates or additional new homes bonus
- Pay award assumed at 2% per annum, fees and charges income at 2% per annum; and
- Transitional funding to replace the loss of Revenue Support Grant (RSG)
- No assumptions built into forecast regarding changes to Council Tax Support claimant numbers.

28. The above scenario assumes a continuation of reduction of government funding causing a reduction in Core Spending Power at a pace similar than that which has been seen over this decade, as part of austerity measures, that is circa 4% year-on-year (with Core Spending Power defined as RSG/Transitional Support, Business Rates, Council Tax and New Homes Bonus). However, as 2019 will see the conclusion of the spending review and redesign of the funding

mechanism for local government, below are 2 further scenarios showing Core Spending Power reductions at 2% and at 0%. These reflect the uncertainty that local government has with regards to funding. -:

	Reduction from 2018/19 Provisional Settlement (average 2% reduction of Core Spending Power)	
	(£m)	%
Anticipated funding reduction	0.4	
Pay and Prices/other	0.2	
Potential Gap 2020/21	0.6	4.3
Anticipated funding reduction	0.4	
Pay and Prices/other	0.6	
Potential Gap 2021/22	1.0	7.2
Anticipated funding reduction	0.4	
Pay and Prices/other	0.4	
Potential Gap 2022/23	0.8	5.4
Anticipated funding reduction	0.4	
Pay and Prices/other	0.4	
Potential Gap 2023/24	0.8	5.7
Cumulative Potential Gap 2020/24	3.2	22.6

	Reduction from 2018/19 Provisional Settlement (average 0% reduction of Core Spending Power)	
	(£m)	%
Anticipated funding reduction	0.1	
Pay and Prices/other	0.2	
Potential Gap 2020/21	0.3	2.3
Anticipated funding reduction	0.1	
Pay and Prices/other	0.6	
Potential Gap 2021/22	0.7	5.1
Anticipated funding reduction	0.1	
Pay and Prices/other	0.4	
Potential Gap 2022/23	0.5	3.5
Anticipated funding reduction	0.1	
Pay and Prices/other	0.4	
Potential Gap 2023/24	0.5	3.8
Cumulative Potential Gap 2020/24	2.0	14.7

29. Until there are indicative allocations of funding for 2020/21 and beyond, the ability to forecast funding elements is severely restricted and it is incumbent on the Government to provide certainty to this sector without delay. It is necessary to show various scenarios of funding changes due to this therefore the above scenarios present a range of funding changes, which are summarised below:-

	4% reduction of Core Spending Power (£m)	2% reduction of Core Spending Power (£m)	0% reduction of Core Spending Power (£m)
Potential Gap 2020/21	0.9	0.6	0.3
Potential Gap 2021/22	1.3	1.0	0.7
Potential Gap 2022/23	1.2	0.8	0.5
Potential Gap 2023/24	1.1	0.8	0.5
Cumulative Potential Gap 2020/24	4.5	3.2	2.0

BALANCING OVER THE MEDIUM TERM

30. The Council operates in a generally challenging environment. Given the planned significant reductions in the Council's funding from Government over the medium term there will need to be a continuing fundamental review of the core purpose of the Council. This will demand strategic and corporate leadership and it is essential that there is seen to be strategic ownership of such a review given the scope of changes which will result from this.
31. The overall size of the challenge that the Council faces is significant and the formulation of a balanced budget over the longer term requires the delivery of savings through strategic prioritisation, service transformation and continuous improvement. The Council continues to make and face key decisions affecting the way it delivers core Council services.
32. The Council will consider fully its strategic intent as encapsulated in the Strategic Plan and will seek not only to reduce costs and deliver the necessary savings but seize opportunities to use those cost saving programmes as leverage for wider strategic benefits.
33. The structure of the Council should be adapted to reflect the challenging operating environment. Furthermore, these structural changes will require that there is also sufficient flexibility to meet all challenges which may arise. Significant service reconfiguration will therefore continue to take place and further progress will be made to update the way the Council is structured. A review of internal business processes will continue so as to promote automation and to reduce back office workloads. This will change the way we work in line with the organisational development strategy and through the promotion of self-service wherever possible.
34. The Council has a strong track record of delivering efficiency savings over recent years and this work will need to continue for the foreseeable future. The outcome will be a Council which is more streamlined and focussed on key strategic objectives, delivered through transformed services working in partnership.
35. Given the challenges ahead, the Council will continue to use the commercial strategy which sets a framework for developing a commercial approach by everyone within and representing the Council. By doing this we will seek to maximise income from our activities and services whilst still having regard to the ability to pay. We will also minimise the costs involved in service provision through this approach by promoting better procurement and continuing to gain value from contracts with partner organisations and so aim to reduce the future funding gap.
36. Finally, as reported to Full Council in December 2018 this Authority intends to commission two significant capital projects, namely the Pioneer Place development and the Sandygate Square Student Accommodation scheme. Both these developments will require significant financial support from the Council, as well taking on significant commercial risk over the lifetime of these projects (50 years and 30 years, respectively). These schemes will also require significant use of reserves and will also see unprecedented amounts of borrowing – circa £32m.

These present threats to the financial viability of the Council. However, in partial mitigation, various strategies have been put in place.

37. These include contractual affordability conditions for the Pioneer Place scheme to become unconditional, a strategy to build up reserves over the next 10 years to provide a buffer for budget pressures, specific reserves for the schemes to renew the assets and capture any over-performing income and recognition of limited capacity to take on other significant capital schemes.
38. It should be noted however that before the Pioneer Place construction commences the scheme requires:
 - i. a pre-let to be completed for the new supermarket on Manchester Road;
 - ii. a pre-let to be completed for the new cinema on Pioneer Place; and
 - iii. pre-lets to be completed for 75% of the remaining units on Pioneer Place including Unit 2 adjacent the cinema, with the said pre-lets achieving a minimum of 75% of the estimated full rent payable.

RISKS

39. The significant risk areas are:

RISK	MITIGATION	ASSESSMENT
(i) Ability to maintain a balanced budget over the medium-term	Consideration of core purpose of the Council. Development of a multi-year planned and systematic programme of efficiency and cost reduction measures; Ensure effective programme management to ensure timely delivery. Maintain an effective reserves strategy. Undertake close monitoring of Pioneer Place/Sandygate Square schemes.	HIGH
(ii) Funding uncertainty with regard to the proposed changes in NHB funding, changes in Business Rates funding and the fair funding review for local government.	Horizon scanning national developments and proactive contribution to help shape the funding framework. Lobby for additional resources with government and also through the LGA. Seek to maximise local funding sources.	HIGH
(iii) Business rate volatility including appeals	No projected increase factored into MTFs, reserves available as buffer in short term. Active consideration of all appeals to minimise impact on revenues.	HIGH

RISK	MITIGATION	ASSESSMENT
(iv) Partnership performance – achievement of planned savings and delivery of these savings on time	Continued development of enhanced contract management skills and procedures. Project management discipline. Consolidation of good working relationships with contract partners.	MEDIUM
(v) Reserves - potential impact on reserves position, if they are required to support the delivery of a balanced budget over the medium-term.	Include policy on use of reserves within Medium-Term Financial Strategy (attached). Programme of action to increase reserve levels over the next 10 years.	HIGH
(vi) Potential claw-back or loss of any external or grant funding.	Compliance to external and grant funding conditions, careful programme monitoring of capital projects.	MEDIUM
(vii) Prices - the Strategy only allows for budget increases in specific areas, e.g. business rates and contractual requirements. The forecast for CPI and RPI is for bigger increases.	Review at each update of the Strategy	LOW
(viii) Pay – 2% in Strategy but pressure for higher settlements may develop in the future	Review at each update of the Strategy	LOW
(ix) Income and fees and charges.	Ensure that the Council’s commercial strategy is used to maximise income opportunities. An allowance has been built into the Medium-Term Financial Strategy for an increase in line with the Council’s commercial strategy. This will be reviewed as part of the annual fees and charges review.	LOW

RISK	MITIGATION	ASSESSMENT
(x) Treasury Management.	Approved Treasury Management Policy, with regular monitoring with support from external advisors.	LOW
(xi) Brexit – Uncertainty of the outcome on the UK economy and corresponding impacts on interest rates, the local economy and further spending pressures	Continuation of resilience with regards to diversifying sources of income, driving further efficiencies, monitoring the outcome of Brexit negotiations and updating the MTFS as necessary	MEDIUM

RESERVES & BALANCES

40. The overall forecast position on reserves is shown in the table below. This includes all strategic earmarked and general reserves. The forecast below includes approved commitments and anticipated spend and income into the reserves. The Reserves Strategy can be found in detail at Appendix 1.

	Strategic Earmarked Reserves £'000	General Reserve £'000	Revenue Support Reserve £'000	Total £'000
Balance as at 01/04/18	5,049	1,379	-	6,428
Approved use to Q3 2018/19	(1,627)	-	54	(1,573)
Balance available after approvals	3,422	1,379	54	4,855
Future commitments and risks	(3,081)	-	1,904	(1,177)
Balance remaining	341	1,379	1,958	3,678

41. The reserves position does not include any requirement to support the budget gap on an on-going basis.
42. General reserves are held to provide short term emergency funds for exceptional circumstances and to cover risks that could impact the Council as a going concern. The current level of the Council's General Reserve is set at £1.379m, and includes an assessment of volatility within the business rates retention. The General Reserve has been reviewed as part of the re-assessment of the MTFS and it is proposed that it should remain at £1.379m.
43. Earmarked reserves are held for specific purposes either as a strategic reserve to give flexibility in the use of corporate resources or as specific ring fenced reserves for operational needs.

44. The Revenue Support Reserve is essential to provide resilience for the Council in light of reduced funding. As the authority adjusts to meet the pressures of reductions in Government funding, as well as awaiting the outcome of central government's funding review, which will govern local government funding from 2020/21 onwards, it has become increasingly challenging to produce savings annually as the authority contracts in resource and size. Savings proposals will carry more risk of successful implementation, whether they are income or expenditure-related. The Revenue Support Reserve will be required to provide temporary mitigation for some of these risks. However, the purpose of the reserve is also to temporarily provide for unanticipated reductions in income, provide for unexpected revenue spend and to support shortfalls in major capital projects beyond their business cases and after their allocated reserves are exhausted. The above forecast assumes a 10-year programme to build-up this reserve from the General Fund.
45. Any resources that are released by savings on the approved budget will be transferred into an earmarked reserve, although it is expected that given the increased pressures on the annual revenue budget the ability for the Council to build up reserves will become increasingly difficult in future years. The purposes, for which reserves are held, are included within Appendix 1.
46. It is Council policy that earmarked reserves should not be used to pay for continuing expenditure. Earmarked reserves should be used for the specific purpose for which they were set aside. This includes funding one-off or non-recurring items, invest to save initiatives or to provide short term and time limited support to manage the transition from the withdrawal of funding.
47. The Council's reserves are not set at excessive levels and furthermore, it is prudent to protect and enhance earmarked reserves where there are opportunities to do so to provide one-off protection particularly given the uncertainty of the current financial climate and longer term risks associated with the local government funding arrangements. It can be seen in the table above however that it is anticipated that a substantial part of the Council's strategic earmarked reserves will be at, or below, their recommended minimum level by the end of the MTF period. The adequacy of strategic earmarked reserves will continue to be monitored to meet future demands.

MONITORING & REVIEW

48. The Council operates delegated financial management. Following approval of the annual budget, budgets are delegated to service units where each Head of Service has delegated responsibility to ensure that they monitor and maintain budgetary control, achieve efficiency plans built into the budget and follow financial procedure rules. Each Head of Service is charged with ensuring their lead Member is fully briefed on financial issues. Corrective action plans are required in the event of any underperformance against budget to ensure the budget remains on track by the end of the financial year. Conversely, any service underspend at the end of the financial year will be used to contribute towards corporate priorities - general carry forward of underspends by services is not permitted. Any requests for specific service commitments to be rolled into the following financial year will be considered on an exception basis.

49. The Council is committed to achieving value for money in all aspects of its operations. To achieve this, reviews are regularly undertaken to determine whether cost improvements can be made, and to ensure that resources are prioritised and are aligned to strategic intent.
50. Any new proposals for on-going revenue growth must be backed up by a clear business case that demonstrates delivery of efficiencies aligned to strategic objectives. Criteria will be used to determine the relative priority of all capital projects.
51. The Council will operate a commercial strategy which will be reviewed periodically.
52. The Council will carry out three cycles of budget monitoring during each financial year together with a combined revenue and capital final outturn report, each of which will be reported formally to the Executive. These will also be reported to the Scrutiny Committee. Approval of any adjustments to capital or revenue budget control totals will then be sought from Full Council.
53. The financial modelling projections contained within this Medium-Term Financial Strategy are a dynamic model, which will be updated, revised and reported following receipt of business intelligence, changes to underlying assumptions and as the position becomes clearer.

APPENDIX 1: RESERVES STRATEGY

BACKGROUND

1. The Council continues to face significant financial challenges. The era of austerity is set to continue for the foreseeable future which will undoubtedly result in further substantial reductions in funding from the government. The Council however remains committed to its ambitions of delivering its place shaping strategic priorities. This means that the Council is not only prioritising resources for key service objectives but is also continuing to adjust to a reduced cost base to ensure financial sustainability over the medium term.
2. Within this context, reserves play a vital role in offering transitional support to act as a buffer and to ensure smooth service transition as the Council adapts to organisational changes and new ways of working; and to offer time limited opportunity for investment to aid strategic delivery.
3. It is imperative, therefore, that the Council has in place a strong and robust reserves strategy, that adequately reflects the future needs of the organisation, set at a level that mitigates against future risks and certainties and provides opportunity for investment within the confines of overall affordability and availability of resource.
4. Given the current context of operations there are no planned arrangements for replenishing reserves drawn down, although a minimum level of reserve (general reserve) has been assessed for the Council to remain a going concern. As part of the finalisation of the year end position, opportunities will be taken, if possible, to replenish reserves in the light of risk appraisal.
5. This reserves strategy sets out the protocol for use of reserves and re-assesses the adequacy of reserves.

LEGISLATIVE/REGULATORY FRAMEWORK

6. The requirement for financial reserves is acknowledged in statute. Sections 32 & 43 of the Local Government Finance Act 1992 require billing and precepting authorities to have regard to the level of reserves needed for meeting estimated future expenditure, when calculating the budget requirement.
7. There are no statutory minimum levels imposed and it is not considered appropriate or practical for the Chartered Institute of Public Finance and Accountancy (CIPFA), or other external agencies, to give prescriptive guidance on the minimum or maximum level of reserves required, either as an absolute amount or a percentage of the budget.
8. The adequacy of the level of reserves is therefore a matter of local judgement bearing in mind the level of risk the council faces together with the requirement to provide any non-recurring or one off support for strategic priorities.
9. The management of reserves within the current difficult financial environment is not universally agreed. There is a conflict between the expectation of

Government that Councils should utilise their reserves over the medium term and the views of professional and regulatory bodies who suggest that reserves should be increasing over the same period.

ROLE OF THE CHIEF FINANCIAL OFFICER

10. Within the existing statutory and regulatory framework, it is the responsibility of the Chief Financial Officer (in Burnley's case this is the Head of Finance and Property) to advise the local authority about the level of reserves that they should hold and to ensure that there are clear protocols for their establishment and use.
11. This requirement is also reinforced by Section 114 of the Local Government Finance Act 1988, which requires the Chief Financial Officer to report to all the authority's councillors, if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the authority will not have the resources to meet its expenditure in a particular financial year.

PURPOSE OF RESERVES & BALANCES

12. Reserves can be classed as general reserves or earmarked reserves and represent funds that are not part of the normal recurring budget of the Council but are distinct "pots" of finite funds.
13. General reserves are set aside to provide a short term cushion for the impact of uneven cash flow, to provide an emergency fund for exceptional unmitigated circumstances and to ensure that the Council remains a going concern. The current level of the Council's general reserves is set at £1.379m. This includes an assessment of volatility within the business rates retention scheme. This figure is judged as a prudent level of balance to be set aside to ensure the Council remains financially liquid as a going concern. This fund is held as a fund of "last resort" when all other reserves or budgets have been completely depleted for unknown "Treasurer's risk".
14. Earmarked reserves are held to mitigate against potential specific risks that the Council faces; cushion against uncertainty; provide for anticipated liabilities and provide short term investment for strategic priorities or support the operational delivery of specific services. These reserves are held for either strategic purposes to give flexibility in the use of corporate resources or are held as specific ring-fenced reserves for operational needs.
15. Given the increased pressures on the annual revenue budget the ability for the Council to build up reserves will become increasingly difficult in future years. Clear protocols therefore should be in place for the use of each earmarked reserve that set out:
 - The reason for/purpose of the reserve;
 - How and when the reserve can be used;
 - An assessment of the adequacy of the reserve in light of risk factors;
 - Procedures for the reserve's management and control; and

- A process and timescale for review of the reserve to ensure continuing relevance and adequacy.

RISK FACTORS

16. The table below identifies the key risks that are mitigated and managed through this reserves strategy:

Risk	Reserve
Short term liquidity and cash flow.	General (Treasurer's Risk)
Unforeseen emergencies.	General
Strategic service transformation and ability to ensure services remain fit for purpose and deliver value for money.	Transformation
Achievement of high priority strategic objectives that require pump priming or inward investment.	Growth
Financial risks inherent in major developments and projects that are aligned to strategic priorities.	Growth
Provide interim support for emerging risks that were unknown at budget setting and are an unavoidable commitment through regulatory or legislative reform that are outside the direct control of the council	Transformation Revenue Support
Fluctuations, loss and uncertainty in funding or income levels coupled with the Council's ability to respond in a timely way, thereby providing a buffer to enable the Council to downsize.	Transformation
Variations in business rate yield due to the impact of appeals and other factors which can reduce funding availability	Business Rates Volatility
Ensure resources available to provide for future unavoidable and non-recurrent specific needs.	Transport & Plant Local Development Framework (Local Plan) Town Centre Master Plan Burnley Bondholders Cremator Relining
Transparency in accounting arrangements for self-financing initiatives.	Taxi Licensing Selective Licensing
Respond to changes in demand for services.	Transformation

REPORTING FRAMEWORK

17. The level and utilisation of reserves will be determined formally by the Council, informed by the advice and judgement of the Head of Finance and Property. The protocols covering all reserves are set out below for strategic and operational reserves respectively.

18. The Medium-Term Financial Strategy and the Council's annual Revenue Budget report include a statement showing movements in reserves. In addition, the Medium-Term Financial Strategy includes a forward forecast of future balances for the relevant period.

STRATEGIC RESERVES PROTOCOL

Reserve	Level of reserve	Purpose	How & When Used	Control Procedures	Timescale for review
Transformation	Recommended to have available balance of £1.5m uncommitted at 31/3/19	To support specific projects aimed at transforming services either to reduce the cost base; deliver value for money or ensure services remain fit for purpose	Used to mitigate the impact of any one off expenditure that arises from organisational and transformational change and to assist with organisational downsizing	Managed by the Head of Finance and Property (Chief Financial Officer)	The overall level will be reviewed twice-yearly as part of the final accounts and budget processes and any movements monitored as part of the budget monitoring process
Growth	This reserve will cease to exist once depleted	To assist the Council in achieving its strategic objectives through the provision of one-off investment as leverage	Used to pump prime projects that deliver demonstrable wider strategic benefits that enable the council to fulfil its place shaping role	Managed by the Chief Executive	

OPERATIONAL RESERVES PROTOCOL

Operational Reserve	Level of Reserve	Purpose	How & When Used	Procedures for Management & Control	Timescale for Review
Business Rates Volatility	Recommended to have no greater than £500k uncommitted by the end of any financial year	To safeguard against the inherent volatility within the business rates retention system particularly around the potential impact of appeals	Used to support the business rates funding figure included within the Council's net revenue budget in the event that actual business rates collected generate a figure below this estimated funding figure	Managed by the Head of Finance and Property (Chief Financial Officer)	Twice-yearly, as part of the final accounts and budget processes

Operational Reserve	Level of Reserve	Purpose	How & When Used	Procedures for Management & Control	Timescale for Review
Transport & Plant	Dependent on planned replacement strategy for transport and plant financed from within service revenue budgets	To manage the financing of the Council's transport & plant requirements	There is an annual payment into the reserve, which helps to equalise spending, as transport & plant replacements are due	Managed by the Head of Green Spaces and Amenities	Twice-yearly, as part of the final accounts and budget processes
Local Development Framework (Local Plan)	Anticipated spending requirements	To fund the necessary work needed for the Core Strategy and other development plans	Any cost of the preparation of the Local Development framework will be funded through drawdown on this reserve	Managed by the Strategic Head of Economy and Growth	Monitored as part of budget monitoring process
Taxi Licensing	Self-financing	To ensure the costs associated with licensing is ring-fenced and recovered by the taxi trade	To manage annual surpluses and deficits on the account	Managed by the Monitoring Officer	The overall level will be reviewed twice-yearly as part of the final accounts and budget processes and any movements monitored as part of the budget monitoring process
Selective Licensing	Self-financing	To ensure the costs associated with licensing are ring-fenced and recovered by landlords	To manage annual surpluses and deficits on the account	Managed by the Head of Housing and Development Control	

Operational Reserve	Level of Reserve	Purpose	How & When Used	Procedures for Management & Control	Timescale for Review
Primary Engineer Reserve	Anticipated spending requirements	To support a training initiative in schools within Burnley	To fund delivery of the training on an annual basis	Managed by the Chief Executive	Monitored as part of budget monitoring process
Town Centre Master Plan	Anticipated spending requirements	To enable the Council to deliver a major Town Centre regeneration scheme	To assist in procuring the expertise to carry out an exercise to develop a vision and plan for the town centre	Managed by the Strategic Head of Economy & Growth	Monitored as part of budget monitoring process
Burnley Bondholders Reserve	Self-financing	To manage the excess sponsorship contributions for bondholder organisations	To fund Burnley brand and marketing initiatives in order to attract economic investment into the area	Managed by the Strategic Head of Economy and Growth	Monitored as part of budget monitoring process
Cremator Relining Reserve	Dependent on planned replacement strategy for cremator relining financed from within service revenue budgets	To manage the financing of the Council's cremator relining requirements	There is an annual payment into the reserve, which helps to equalise spending, as cremator relining are due	Managed by the Head of Green Spaces and Amenities	Monitored as part of budget monitoring process
Revenue Support Reserve	Anticipated spending requirements	To provide funding for unanticipated reductions in income and initiatives to offset budget reductions	To be used in response to income pressures identified during the budget monitoring process	Managed by the Head of Finance & Property (Chief Financial Officer)	Monitored as part of budget monitoring process

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REPORT TO FULL COUNCIL



DATE	20th February 2019
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	Asad Mushtaq
TEL NO	01282 477173
EMAIL	amushtaq@burnley.gov.uk

Revenue Budget 2019/20 Statutory Report of the Chief Finance Officer

PURPOSE

1. To enable elected Members to consider the statutory report of the Chief Finance Officer.

RECOMMENDATION

2. That elected Members note this report and have regard to its contents when setting the Revenue Budget for 2019/20.

REASONS FOR RECOMMENDATION

3. To satisfy the statutory requirements of the Local Government Act 2003.

SUMMARY OF KEY POINTS

4. Section 25 of the Local Government Act 2003, requires the Chief Finance Officer to report on the robustness of the budget estimates and the adequacy of the financial reserves. The Act also requires the Authority, to which the report is made, to have regard to the report when making decisions about the budget.
5. In this context, the reference to the Chief Finance Officer is as defined in Section 151 of the Local Government Act 1972. This statutory role is fulfilled in this authority by the Head of Finance and Property.
6. This report covers:
 - An assessment of the robustness of the 2019/20 budget setting process for both revenue and capital;
 - A high-level assessment of key risks that may impact the budget for 2019/20;

- An assessment of the overall adequacy of reserves to contain financial risk and ensure the sustainability of the Council over the financial year 2019/20; and
- An indication of future direction of travel for the Council over the medium term.

7. **SUMMARY**

- 7.1 In summary, I am satisfied that the proposals to establish a Net Budget Requirement of £15,814,610 for the financial year 2019/20 and Council Tax Requirement of £6,962,402, as set out in the report to Council on 20th February 2019, are robust to ensure that the Council remains a going concern throughout 2019/20.
- 7.2 However, the financial outlook for the Council given the medium term financial strategy continues to be challenging. To ensure a balanced position for 2020/21 and beyond the Council will have to take tough decisions balancing declining access to resources against emerging risks.
- 7.3 This may require a strategic reprioritisation of commitments especially as reserves are forecast to be significantly diminished over the medium term. The Council will be required to remain proactive in identifying savings and increase income throughout the medium term period to ensure its viability can be maintained.
- 7.4 This is also within the context of a government review of relative needs of local authorities, which will inform a change in mechanism of funding for local authorities from 2020/21, of which currently there is much uncertainty.

8. **ROBUSTNESS OF THE BUDGET 2019/20**

- 8.1 In assessing the robustness of the overall budget for next year, I have taken the following into consideration:
- 8.2 The robustness of the underpinning financial planning assumptions on which the budget has been determined:
- a. Financial resources are aligned appropriately to the strategic priorities of the Council. Investments in service delivery have been made to support the Council's prosperity and place objectives directing resources to community services.
 - b. Savings to deliver a balanced budget have been identified focussing on efficiency and value for money and relative priority needs of services. Identified savings are realistic and action plans for delivery are in place.
 - c. The Council, as part of finalisation of the revenue budget 2019/20, has factored growth in business rates which can be retained locally including renewable energy business rates; as well as an increased Council tax base.
 - d. The determination of funding from Central Government for New Homes Bonus and the Revenue Support Grant for 2019/20 have been incorporated, based on final settlement figures announced in January 2019 as well as previous

announcements on New Homes Bonus funding.

- e. Employee budgets have been cross-referenced to the agreed establishment. The 2019/20 budget and future years have assumed a headline 2% pay award, as well as higher changes to lower scale points, in line with the nationally agreed two-year pay award.
- f. Assumptions made about future inflation and interest rates are realistic.
- g. Income estimates are based on current patterns of usage and anticipated variations during the coming year. Decisions about levels of charges have already been taken by the Council in December 2018 and have now been implemented.
- h. Capital and revenue budgeting are integrated, in that the revenue consequences of the capital programme are considered as part of the overall budget process for 2019/20.

8.3 Appropriate and effective governance arrangements are in place to manage the financial resource and maintain a balanced budget throughout 2019/20:

- a. Financial management is delegated appropriately and commitments are entered into in full compliance with Financial Procedure Rules.
- b. Effective governance arrangements are in place for budget monitoring and reporting during the financial year.
- c. A risk assessment has been carried out on the revenue budget and those risks have been appropriately mitigated.

8.4 An assessment of funding framework for local government and its impact on the Council's finances:

- a. The settlement figures provided in the budget are based on the final settlement
- b. The Executive's proposals do not breach the 'excessiveness' principle for 2019/20, where a local referendum is required for any Council tax increase of 3% or more than 3%.
- c. Appropriate assessment has been made of likely levels of debt impairment provision when determining the local Council tax base.

9. **RISK ASSESSMENT**

The major risks to which the Council are exposed are set out below:

9.1 **Business rates volatility**

Changes to local government funding brought in from 2013/14 allow local authorities to retain an element of business rate growth. There remains an ongoing risk of volatility of business rates arising from unknown appeals and unanticipated fluctuations in collectible income from the business community. However, risk arises as the Council is required to firstly meet any reduction in business rates and secondly, to comply with national business rate policy and government guidance, the accounting arrangements are complex. In 2013/14, the general reserve was increased to £1.379m in recognition of potential risk from a significant loss of business rates. Furthermore the reserves strategy 2015/16 saw the creation of a new business rate volatility reserve to ensure the “smoothing out” of accounting fluctuations. The budget position for 2019/20 reflects a realistic assessment as at 31st January 2019.

9.2 **Utilisation of reserves**

Taking into account known commitments, anticipated risks and lack of affordability to set aside or replenish strategic reserves the forward forecast suggests it is less likely that reserves will be available for future use in this way. However the position will be kept under review in the light of emerging and changing conditions.

9.3 **Partnerships**

As a result of changes to the Councils’ business model, key services are no longer directly delivered by the Council but through partnership including the Leisure Trust, Urbaser Waste Management and the Liberata Partnership, forecast to account for £7.02m or 29% of Council gross spending in 2019/20. These partnerships are intended to deliver transformational change in the way that services are provided to our customers within a reduced cost base. The Council continues to work closely with our partners in ensuring effective delivery and will continue to monitor performance to mitigate any potential risks and issues that emerge.

9.4 **Workforce**

The approved budget for 2019/20 includes a vacancy factor of £150k recognising a normal lag period of appointment to vacant posts of three months. For 2019/20 this represents 2% of the staffing budget for 198 ftes. Clearly to ensure a balanced budget for 2019/20 the expectation would be a continuation of this policy unless exceptional and business critical circumstances prevail. The vacancy factor as is current practice will be monitored throughout 2019/20.

9.5 **Capital Receipts**

The delivery of the capital programme relies on capital receipts being generated to fund new developments. The forecast of capital receipts is based on anticipated sales at the time the programme is prepared. Whilst the Council has sufficient capital receipts to deliver the capital programme for 2019/20, from 2020/21 onwards capital receipts are

forecast to be insufficient to deliver the forward capital programme. This will require significant re-prioritisation of future schemes. The Council needs to ensure that it maximises the opportunity to generate capital receipts and has the ability to respond effectively and promptly to unforeseen or major capital works especially to respond to health and safety or public protection matters and commercial opportunities. Progress on the generation of capital receipts will be monitored during 2019/20.

9.6 **Possible litigation and uninsured risks**

During the normal course of business the Council operates in an environment where there is an underlying risk arising from contractual obligations and uninsured risks. In the event that liabilities emerge during the course of the year the Council will assess impact including disclosure as contingent liabilities or provisions. We will further assess, following robust challenge, whether these liabilities will be an obligation on the Council for which resource is required. Where possible the Council will seek to set aside resources subject to affordability within a reduced funding context.

9.7 **Public sector risks**

Increasingly, the Council is finding itself in the position of reduced contributions as austerity measures continue to impact on other public sector partners. In the event that issues emerge they will be factored within the overall budget monitoring position.

9.8 **Changes to local government funding**

As part of the announcement of the provisional local government settlement for 2018/19 in December 2017, government announced a consultation; *“Fair funding review: a review of relative needs and resources.”* Further consultations were launched during 2018/19. These consult on the approach to measuring the relative needs of local authorities. This will define new relative needs of authorities for 2020/21 onwards and will coincide with the ending of the revenue support grant, the change to the business rates retention scheme and other changes. This will have an effect on the overall funding that this authority receives. However, as the consultation has not yet revealed the details of the funding mechanisms and the overall monies available for local government, financial consequences are not yet known for individual authorities, and won't be made available until later in 2019. This uncertainty on funding going forward represents a key risk for this Council.

10. **ADEQUACY OF RESERVES 2019/20**

- 10.1 In assessing the adequacy of reserves, I have taken into consideration the forward forecast of reserves contained within the Medium-Term Financial Strategy which indicates that reserve levels for both strategic and general reserves are sufficient to mitigate any down side risks facing the Council during 2019/20.
- 10.2 The longer-term assessment of reserves required to meet known commitments and future risks facing the Council indicate strategic reserves to be significantly depleted, which include the effect of two major schemes (see para 11.4).
- 10.3 This will impact on the Council's ability to deliver its strategic objectives over the medium term and careful consideration of their use should be made to ensure the Council obtains

the most added value in their utilisation.

- 10.4 However, as part of budget decisions for 2019/20 and beyond there is a ten-year plan to contribute into the Council's Revenue Support Reserve to provide resilience for the Council. This begins with a £100k contribution in 2019/20 and grows to a recurrent £200k from 2021/22 onwards with periodic uplifts to reflect inflation.
- 10.5 A reserves strategy stating the purpose for which each reserve is held, managed and controlled is contained within the Medium-Term Financial Strategy recommended for approval by Council. However, I am satisfied that the level of reserves is sufficient for 2019/20.

11. **FINANCIAL OUTLOOK**

- 11.1 The Council continues to be financially challenged over the medium term facing a budget gap of £4.5m or 31% by the end of 2023/24. The Council must continue to be focussed in maintaining its financial health by downsizing in a planned and sustainable way so that it is able to continue to operate as a going concern and maintain operational services. The Council entered into a strategic partnership that is delivering transformational change to customer services over the next few years including greater use of digitisation and providing inward investment. Savings arising from this partnership will contribute towards closing the budget gap, however further Council wide savings will be required through prioritisation, transformation and continuous improvement.
- 11.2 The financial forecast is based on indicative funding figures and will be subject to change. However, several scenarios have been presented in the Medium-Term Financial Strategy 2020/24. This Council will also influence the Fair Funding Review as far as possible, to attempt to ensure funding is representative of our need. Changes in 2020/21, around the business rates retention scheme, the ending of the Revenue Support Grant and other changes leave uncertainty on funding levels from that year onwards and represent a key funding risk.
- 11.3 The impact of the performance of the UK economy, and in particular regarding the uncertainties surrounding Brexit, could potentially affect future funding for the Council. This could take the form of lower funding levels available to local government, pressure on income and expenditure budgets and impacts arising from pressures on Business Rates and Council Tax funding in relation to the local economy. This will be monitored and factored in to the Medium-Term Financial Strategy.
- 11.4 As reported to Full Council in December 2018 this Authority intends to commission two significant capital projects, namely the Pioneer Place development and the Sandygate Square Student Accommodation scheme. Both these developments will require significant financial support from the Council, as well taking on significant commercial risk over the lifetime of these projects (50 years and 30 years, respectively). These schemes will also require significant use of reserves and will also see unprecedented amounts of borrowing – circa £32m. These present threats to the financial viability of the Council. However, in partial mitigation, various strategies have been put in place.
- These include contractual affordability conditions for the Pioneer Place scheme to become unconditional, a strategy to build up reserves over the next 10 years to provide a buffer for budget pressures, specific reserves for the

schemes to renew the assets and capture any over-performing income and recognition of limited capacity to take on other significant capital schemes.

- It should be noted however that before the Pioneer Place construction commences the scheme requires:
 - i. a pre-let to be completed for the new supermarket on Manchester Road;
 - ii. a pre-let to be completed for the new cinema on Pioneer Place; and
 - iii. pre-lets to be completed for 75% of the remaining units on Pioneer Place including Unit 2 adjacent the cinema, with the said pre-lets achieving a minimum of 75% of the estimated full rent payable.

11.5 The Council must remain proactive in its activity to deliver sustainable savings over the medium term if it wishes to remain a viable entity.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

12. As set out in the report on the Revenue Budget for 2019/20, Capital Investment Programme 2019/20 to 2023/24 and Medium-Term Financial Strategy 2020/24 elsewhere on your agenda.

POLICY IMPLICATIONS

13. None.

DETAILS OF CONSULTATION

-

BACKGROUND PAPERS

14.
 - Revenue Budget Files – 2019/20
 - Capital Investment Programme 2019/20 to 2023/24
 - Medium-Term Financial Strategy – 2020/21 to 2023/24

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EXECUTIVE

BURNLEY TOWN HALL

Monday, 11th February, 2019 at 6.30 pm

91. Capital Budget 2019/20 and Capital Investment Programme 2019/22

Purpose.

To recommend approval of the capital budget for 2019/20.

An amended report and Appendix 1 were circulated as a supplement to the agenda following the addition of Paragraph 2 (d) to the recommendations.

Reasons For Recommendation.

To establish a capital budget that reflects the Council's overall priorities and provides a framework for capital spending to be undertaken during 2019/20

Decision.

- (1) That Full Council be recommended to approve the 2019/20 Capital Budget, totalling £18,223,656 as set out in Appendix 1 as amended;**
- (2) That Full Council be recommended to note the 2019-24 Capital Investment Programme as also set out in Appendix 1 as amended;**
- (3) That Full Council be recommended to note the estimated position on capital resources as set out in Appendix 2.**
- (4) That subject to (1) above that the release of capital scheme budgets be approved including slippage from 2018/19, subject to compliance with the Financial Procedure Rules and that there will be full compliance with Standing Orders for Contracts;
- (5) That Full Council be recommended to approve the Capital Strategy 2019-24, as set out in Appendix 3;and**
- (6) That authority be delegated, as amended, to the Head of Green Spaces and Amenities and the Chief Operating Officer to accept £183,111 of external funding from the Football Foundation (previously £175,000) for the redevelopment of the Worsthorne Recreation Ground.

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REPORT TO EXECUTIVE



DATE	11th February 2019
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	Asad Mushtaq
TEL NO	(01282) 477173
EMAIL	amushtaq@burnley.gov.uk

CAPITAL BUDGET FOR 2019/20 AND 2019-24 CAPITAL INVESTMENT PROGRAMME

PURPOSE

1. To recommend approval of the capital budget for 2019/20

RECOMMENDATION

2. a) That Full Council be recommended to;
 - (i) Approve the 2019/20 Capital Budget, totalling £18,223,656, as set out in Appendix 1
 - (ii) Note the 2019-24 Capital Investment Programme as also set out in Appendix 1.
 - (iii) Note the estimated position on capital resources as set out in Appendix 2.
- b) That subject to 2a) i) above the Executive:
 - (i) Approve the release of capital scheme budgets including slippage from 2018/19, subject to compliance with the Financial Procedure Rules and that there will be full compliance with Standing Orders for Contracts.
- c) Approve the Capital Strategy 2019-24, as set out in Appendix 3
- d) To delegate authority to the Head of Green Spaces and Amenities and the Chief Operating Officer to accept £183,111 of external funding from the Football Foundation (previously £175,000) for the redevelopment of the Worsthorne Recreation Ground.

REASONS FOR RECOMMENDATION

3. To establish a capital budget that reflects the Council's overall priorities and provides a framework for capital spending to be undertaken during 2019/20.

SUMMARY OF KEY POINTS

4. **Background:**

In formulating the 2019/20 Capital Programme, Management Team declared that new bids would be limited, given the forecast position of available Capital Resources. The existing schemes and new bids were prioritised in accordance with the Council's Strategic Objectives as identified within the Council's Strategic Plan.

5. **Capital Budget / Programme Review Process:**

Officers have been asked to submit information for inclusion in the proposed 2019/20 capital budget and the 2019-24 CIP.

The review process has included:

- A review and revision of the existing schemes approved in the 2018-21 CIP, in February 2018.
- Provision of a breakdown of the type of capital expenditure to be incurred for each scheme to assist in estimating the level of capitalised staff recharges involved in delivering capital works.
- A review of the level of Resources within the Council.

Any use of Prudential Borrowing must be based upon the creation of an asset, repayment over the useful life of the asset, and the production of a business case outlining any income generation and future revenue costs.

6. **2019/20 Capital Budget:**

Appendix 1 provides Members with a summary of the capital investment programme for 2019/20 to 2023/24 and a list of those schemes being proposed for the 2019/20 capital budget totalling £18.224m showing the financing elements for each individual scheme. It also shows draft capital budgets for 2020/21 to 2023/24 along with the financing elements for those years.

Members are asked to note that the level of estimated capital receipts is sufficient to finance the £974,784 required for all the schemes put forward for 2019/20.

7. **Capital Resources:**

Appendix 2 provides Members with an analysis of the capital receipts and S106 / 3rd Party Contributions balances as follows;

- balances in hand as at the 1st April 2018
- 2018/19 commitments approved to date
- level of resources assumed to be available as at 31st March 2019
- estimated "new" receipts to be received during 2018/19 to 2023/24
- resources required to finance part of the 2019/20 proposed capital budget
- resources required to finance the schemes proposed for future years

- anticipated balance as at 31st March 2024.

The resources are reducing each financial year, to an estimated negative balance by March 2021. This is due to reduced opportunities to realise capital receipts, as the estate reduces, which will leave a lesser capital programme going forward.

Please note, all capital schemes that are committed after 2019/20, do not require capital resources after March 2020.

8. **Revenue Budget Implications:**

Capitalised Salaries

Members will be already aware that capitalised salaries are a major element in balancing the Council's revenue budget. The expected revenue income for staff time recharged against identified capital projects is £224k in 2019/20

Costs of Prudential Borrowing

Of the proposed £7,452,936 prudential borrowing requirement for 2019/20, there is 1 new scheme requiring additional borrowing of £5,705,736 by the Council. This scheme is Sandygate Square

The estimated full year interest cost for the additional borrowing is £228k. This cost may not be required until 2020/21, dependant on the timing of the borrowing.

The additional Minimum Revenue Provision (notional debt repayment) charge for the £5,705,736 additional borrowing on Sandygate Square, would be £190k, and would not be required until 2022/23, when the schemes are anticipated to complete.

Details of the new scheme and prudential borrowing requirements are shown in Appendix 1.

Additional Information –Pioneer Place

It should be noted that before the Pioneer Place construction commences the scheme requires:

- i. a pre-let to be completed for the new supermarket on Manchester Road;
- ii. a pre-let to be completed for the new cinema on Pioneer Place; and
- iii. pre-lets to be completed for 75% of the remaining units on Pioneer Place including Unit 2 adjacent the cinema, with the said pre-lets achieving a minimum of 75% of the estimated full rent payable.

Additional Information – Sandygate Square

In order to effectively access, in a timely manner, the full range of specialist services required to deliver phase 4 of this development the intended procurement route to directly appoint Mace Ltd is to be amended from access via the Crown Commercial Services Framework to the NHS Shared Business Services (SBS) Framework. This change does not impact on the financial business case of this project; it remains fully compliant with financial regulation, and continues to negate the need for a costly tender exercise. It is therefore recommended that the direct appointment of Mace Ltd be made through the NHS SBS Framework.

9. **2019-24 Capital Investment Programme:**

As previously stated, Appendix 1 outlines a summary of the proposed 2019-24 capital investment programme. These schemes are listed in priority order, in line with the approved methodology for ranking proposed capital scheme bids, reflecting the priorities of the Council's strategic objectives.

10. **2019-24 Capital Strategy:**

Appendix 3 provide Members with the 2019-24 proposed Capital Strategy.

The Council is committed to ensuring that the investment of capital resources reflects the Council's corporate priorities and is affordable, financially prudent and sustainable. This Capital Strategy is designed to assist in the delivery of that commitment.

The Capital Strategy is a key document and forms part of the Council's corporate strategic and planning framework with links to the overarching Strategic Plan, the Asset Management Strategy, the Treasury Management Strategy and individual Service Plans which, in turn, link the Strategic Plan to service delivery on the ground.

Providing a high level overview of how capital expenditure and capital financing contribute to the provision of Council services, the strategy also addresses the management of related risks and the implications for future financial sustainability. It outlines the governance processes for prioritisation and approval of capital scheme bids and the monitoring of the approved capital programme.

The preparation and publication of a capital strategy is a requirement of the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Prudential Code of Capital Finance in Local Authorities (the Prudential Code).

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

11. As referred to in the body of the report.

POLICY IMPLICATIONS

12. The Capital programme gives authority for a number of policy decisions to be actioned in meeting the Council's corporate objectives.

DETAILS OF CONSULTATION

13. None.

BACKGROUND PAPERS

14. None.

FURTHER INFORMATION

PLEASE CONTACT: **Asad Mushtaq - Head of Finance & Property**

ALSO

Martin Dixon - Finance Business Partner

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Capital Investment Programme 2019/20 to 2023/24

<u>Service Unit</u>	<u>Scheme Name</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>TOTAL</u>
		£	£	£			£
Schemes Committed By Decision of the Council							
Green Spaces & Amenities	Thompson Park Restoration Project	35,000	-	-	-	-	35,000
Economy & Growth	Padiham Townscape Heritage Initiative	692,924	722,322	122,420	94,155	-	1,631,821
Economy & Growth	Pioneer Place	189,666	14,106,107	12,059,629	-	-	26,355,402
Economy & Growth	Sandygate Square	5,705,736	3,268,080	308,373	-	-	9,282,189
Total of Schemes Committed By Decision of the Council		6,623,326	18,096,509	12,490,422	94,155	-	37,304,412
Schemes Managed by Liberata							
Finance & Property	Rationalisation of Operational Estate	180,000	-	-	-	-	180,000
Finance & Property	Leisure Centre Improvements	75,000	75,000	75,000	75,000	75,000	375,000
Finance & Property	Building Infrastructure Works	905,250	1,289,958	767,366	577,572	248,435	3,788,581
Finance & Property	Liberata Fee	66,445	135,189	80,317	60,388	25,829	368,168
Total of Schemes Managed by Liberata		1,226,695	1,500,147	922,683	712,960	349,264	4,711,749
Housing Investment Programme							
Housing & Development	Emergency Repairs	120,000	120,000	120,000	120,000	120,000	600,000
Housing & Development	Better Care Grant	3,223,649	1,000,000	1,000,000	1,000,000	1,000,000	7,223,649
Housing & Development	Energy Efficiency	40,000	40,000	40,000	40,000	40,000	200,000
Housing & Development	Empty Homes Programme	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	6,500,000
Housing & Development	Interventions, Acquisitions and Demolitions	300,000	100,000	100,000	100,000	100,000	700,000
Total of Housing Investment Programme		4,983,649	2,560,000	2,560,000	2,560,000	2,560,000	15,223,649
Other Schemes							
Green Spaces & Amenities	Brun Valley Forest Park	41,242	-	-	-	-	41,242
Green Spaces & Amenities	Stoops Wheeled Sport	130,355	-	-	-	-	130,355
Green Spaces & Amenities	Crematorium Improvements	-	-	-	132,000	142,000	274,000
Finance & Property	Burnley Mechanics MI Space HLF Scheme	-	994,800	1,255,360	-	-	2,250,160
Green Spaces & Amenities	Prairie Artificial Turf Pitch	1,107,000	-	-	-	-	1,107,000
Green Spaces & Amenities	Play Area Improvement Programme	43,000	80,000	68,000	45,000	-	236,000
Green Spaces & Amenities	Worsthorne Recreation Ground Improvements	276,111	-	-	-	-	276,111
Green Spaces & Amenities	Vehicle & Machinery Replacement	140,000	140,000	140,000	140,000	140,000	700,000
Green Spaces & Amenities	Extension of Burnley Cemetery	25,000	-	-	220,000	220,000	465,000
Streetscene	Alleygate Programme	25,000	25,000	25,000	25,000	25,000	125,000
Economy & Growth	Former Open Market & Former Cinema Block	830,000	-	-	-	-	830,000
Economy & Growth	NW Burnley Growth Corridor	2,033,989	2,086,856	-	-	-	4,120,845
Economy & Growth	Burnley Pendle Growth Programme	-	722,000	-	-	-	722,000
Economy & Growth	Town Centre & Weavers Triangle Project Work	250,000	250,000	-	-	-	500,000
Economy & Growth	Lower St James Street	400,000	-	-	-	-	400,000
Streetscene	River Training Walls	88,289	-	60,000	-	60,000	208,289
Total of Other Schemes		5,389,986	4,298,656	1,548,360	562,000	587,000	11,940,405
Total of All Schemes		18,223,656	26,455,312	17,521,465	3,929,115	3,496,264	69,180,215

2019/20 CAPITAL BUDGET AND FINANCING ELEMENTS

APPENDIX 1

Classification Heading	Service Unit	Scheme Name	Original Proposed Budget £	Budget Adjustments £	Revised Proposed Budget £	FINANCING ELEMENTS													Total Proposed Budget £					
						Prudential Borrowing £	Revenue Cont'n / Reserves £	LCC £	Better Care Grant £	Heritage Lottery Fund £	Lancashire Enterprise Partnership £	Football Foundation £	Urbaser £	Sport England £	Lancashire Environment Fund £	Calico £	Capital Receipts £	Vacant Property Initiative Receipts £		3rd Party / Section 106 Unsecured £				
Committed By Decision of the Council	Green Spaces & Amenities	Thompson Park Restoration Project	19,750	15,250	35,000					35,000											35,000			
	Economy & Growth	Padiham Townscape Heritage Initiative	443,028	249,896	692,924					391,249	151,675								150,000			692,924		
	Economy & Growth	Pioneer Place	-	189,666	189,666						189,666												189,666	
	Economy & Growth	Sandygate Square	-	5,705,736	5,705,736					5,705,736													5,705,736	
Schemes Managed by Liberata	Finance & Property	Rationalisation of Operational Estate		180,000	180,000														180,000			180,000		
	Finance & Property	Leisure Centre Improvements	75,000	-	75,000	75,000																75,000		
	Finance & Property	Building Infrastructure Works	-	905,250	905,250	387,200	102,000													416,050			905,250	
	Finance & Property	Liberata Fee	-	66,445	66,445															66,445			66,445	
Housing Investment Programme	Housing & Development	Emergency Repairs	120,000		120,000					120,000												120,000		
	Housing & Development	Better Care Grant	1,000,000	2,223,649	3,223,649					3,223,649													3,223,649	
	Housing & Development	Energy Efficiency	40,000		40,000					40,000													40,000	
	Housing & Development	Empty Homes Programme Interventions, Acquisitions and Demolitions	900,000	400,000	1,300,000																1,300,000			1,300,000
	Housing & Development	Demolitions	100,000	200,000	300,000																300,000			300,000
Other Schemes	Green Spaces & Amenities	Brun Valley Forest Park	-	41,242	41,242																41,242		41,242	
	Green Spaces & Amenities	Stoops Wheeled Sport	-	130,355	130,355										50,000	30,000	40,755	2,000			7,600		130,355	
	Green Spaces & Amenities	Prairie Artificial Turf Pitch	485,000	622,000	1,107,000	180,000							500,000								427,000		1,107,000	
	Green Spaces & Amenities	Play Area Improvement Scheme	62,500	(19,500)	43,000																	43,000		43,000
	Green Spaces & Amenities	Worsthorne Recreation Ground Improvements	203,500	72,611	276,111								183,111								47,000	46,000		276,111
	Green Spaces & Amenities	Vehicle and Machinery Replacement	108,975	31,025	140,000						113,000												27,000	140,000
	Green Spaces & Amenities	Extension of Burnley Cemetery	421,087	(396,087)	25,000	25,000																		25,000
	Streetscene	Alleygate Programme	50,000	(25,000)	25,000																	25,000		25,000
	Economy & Growth	Former Open Market & Former Cinema Block	-	830,000	830,000	830,000																		830,000
	Economy & Growth	NW Burnley Growth Corridor	4,055,557	(2,021,568)	2,033,989								2,033,989											2,033,989
	Economy & Growth	Town Centre & Weavers Triangle Project Work	500,000	(250,000)	250,000	250,000																		250,000
	Economy & Growth	Lower St James Street	-	400,000	400,000						400,000													400,000
	Streetscene	River Training Walls	30,000	58,289	88,289																	88,289		88,289
TOTAL OF ALL SCHEMES			10,074,197	8,149,459	18,223,656	7,452,936	804,666	-	3,383,649	426,249	2,185,664	683,111	-	50,000	30,000	40,755	974,784	1,600,000	591,842	18,223,656				

2020/21 CAPITAL BUDGET AND FINANCING ELEMENTS

APPENDIX 1

Classification Heading	Service Unit	Scheme Name	Original Proposed Budget £	Budget Adjustments £	Revised Proposed Budget £	FINANCING ELEMENTS									Total Proposed Budget £
						Prudential Borrowing £	Revenue Cont'n / Reserves £	Better Care Grant £	LCC £	Heritage Lottery Fund £	Lancashire Enterprise Partnership £	Capital Receipts £	Vacant Property Initiative Receipts £	3rd Party / Section 106 Unsecured £	
Committed By Decision of the Council	Economy & Growth	Padiham Townscape Heritage Initiative	360,942	361,380	722,322					570,647	98,325	-		53,350	722,322
	Economy & Growth	Pioneer Place	-	14,106,107	14,106,107	14,106,107			-						14,106,107
	Economy & Growth	Sandygate Square	-	3,268,080	3,268,080	3,268,080									3,268,080
Schemes Managed by Liberata	Finance & Property	Leisure Centre Improvements	75,000	-	75,000	75,000						-			75,000
	Finance & Property	Building Infrastructure Works	220,000	1,069,958	1,289,958	634,002	200,000					455,956			1,289,958
	Finance & Property	Liberata Fee	-	135,189	135,189							135,189			135,189
Housing Investment Programme	Housing & Development	Emergency Repairs	120,000		120,000			120,000							120,000
	Housing & Development	Better Care Grant	1,000,000		1,000,000		1,000,000								1,000,000
	Housing & Development	Energy Efficiency	40,000		40,000		40,000								40,000
	Housing & Development	Empty Homes Programme Interventions, Acquisitions and Demolitions	900,000	400,000	1,300,000								1,300,000		1,300,000
	Housing & Development		100,000		100,000								100,000		100,000
Other Schemes	Green Spaces & Amenities	Burnley Mechanics MI Space HLF Scheme	1,255,360	(260,560)	994,800	303,440				573,000				118,360	994,800
	Green Spaces & Amenities	Play Area Improvement Scheme	61,500	18,500	80,000							45,000		35,000	80,000
	Green Spaces & Amenities	Vehicle and Machinery Replacement	108,975	31,025	140,000		113,000							27,000	140,000
	Streetscene	Alleygate Programme	25,000		25,000							25,000			25,000
	Economy & Growth	NW Burnley Growth Corridor	1,549,526	537,330	2,086,856						2,086,856				2,086,856
	Economy & Growth	Burnley-Pendle Growth Programme	-	722,000	722,000		722,000								722,000
	Economy & Growth	Town Centre & Weavers Triangle Project Work	250,000		250,000	250,000							-		250,000
TOTAL OF ALL SCHEMES			6,096,303	20,359,009	26,455,312	18,636,629	1,035,000	1,160,000	-	1,143,647	2,185,181	661,145	1,400,000	233,710	26,455,312

2021/22 CAPITAL BUDGET AND FINANCING ELEMENTS

APPENDIX 1

Classification Heading	Service Unit	Scheme Name	Proposed Budget £	FINANCING ELEMENTS							Total Proposed Budget £	
				Prudential Borrowing £	Revenue Cont'n / Reserves £	Better Care Grant £	LCC £	Heritage Lottery Fund £	Capital Receipts £	Vacant Property Initiative Receipts £		3rd Party / Section 106 Unsecured £
Committed By Decision of the Council	Economy & Growth	Padiham Townscape Heritage Initiative	122,420					122,420				122,420
	Economy & Growth	Pioneer Place	12,059,629	8,617,832	441,797		3,000,000					12,059,629
	Economy & Growth	Sandygate Square	308,373	308,373								308,373
Schemes Managed by Liberata	Finance & Property	Leisure Centre Improvements	75,000	75,000						-		75,000
	Finance & Property	Building Infrastructure Works	767,366	233,200						534,166		767,366
	Finance & Property	Liberata Fee	80,317							80,317		80,317
Page 430 Housing Investment Programme	Housing & Development	Emergency Repairs	120,000			120,000						120,000
	Housing & Development	Better Care Grant	1,000,000			1,000,000						1,000,000
	Housing & Development	Energy Efficiency	40,000			40,000						40,000
	Housing & Development	Empty Homes Programme Interventions, Acquisitions and Demolitions	1,300,000							1,300,000		1,300,000
	Housing & Development		100,000							100,000		100,000
Other Schemes	Green Spaces & Amenities	Burnley Mechanics MI Space HLF Scheme	1,255,360					724,000			531,360	1,255,360
	Green Spaces & Amenities	Vehicle and Machinery Replacement	140,000		113,000						27,000	140,000
	Green Spaces & Amenities	Play Area Improvement Scheme	68,000						48,000		20,000	68,000
	Streetscene	Alleygate Programme	25,000						25,000			25,000
	Streetscene	River Training Walls	60,000						60,000			60,000
TOTAL OF ALL SCHEMES			17,521,465	9,234,405	554,797	1,160,000	3,000,000	846,420	747,483	1,400,000	578,360	17,521,465

2022/23 CAPITAL BUDGET AND FINANCING ELEMENTS

APPENDIX 1

Classification Heading	Service Unit	Scheme Name	Proposed Budget £	FINANCING ELEMENTS							Total Proposed Budget £
				Prudential Borrowing £	Revenue Cont'n / Reserves £	Better Care Grant £	Heritage Lottery Fund £	Capital Receipts £	Vacant Property Initiative Receipts £	3rd Party / Section 106 Unsecured £	
Committed By Decision of the Council	Economy & Growth	Padiham Townscape Heritage Initiative	94,155				94,155				94,155
Schemes Managed by Liberata	Finance & Property	Leisure Centre Improvements	75,000	75,000				-			75,000
	Finance & Property	Building Infrastructure Works	577,572	207,240				370,332			577,572
	Finance & Property	Liberata Fee	60,388					60,388			60,388
Housing Investment Programme Page 481	Housing & Development	Emergency Repairs	120,000			120,000					120,000
	Housing & Development	Better Care Grant	1,000,000			1,000,000					1,000,000
	Housing & Development	Energy Efficiency	40,000			40,000					40,000
	Housing & Development	Empty Homes Programme Interventions, Acquisitions and Demolitions	1,300,000						1,300,000		1,300,000
	Housing & Development		100,000						100,000		100,000
Other Schemes	Green Spaces & Amenities	Crematorium Improvements	132,000	132,000							132,000
	Green Spaces & Amenities	Vehicle and Machinery Replacement	140,000		113,000					27,000	140,000
	Green Spaces & Amenities	Play Area Improvement Scheme	45,000					45,000			45,000
	Green Spaces & Amenities	Extension of Burnley Cemetery	220,000	220,000							220,000
	Streetscene	Alleygate Programme	25,000					25,000			25,000
TOTAL OF ALL SCHEMES			3,929,115	634,240	113,000	1,160,000	94,155	500,720	1,400,000	27,000	3,929,115

2023/24 CAPITAL BUDGET AND FINANCING ELEMENTS

APPENDIX 1

Classification Heading	Service Unit	Scheme Name	Proposed Budget £	FINANCING ELEMENTS						Total Proposed Budget £
				Prudential Borrowing £	Revenue Cont'n / Reserves £	Better Care Grant £	Capital Receipts £	Vacant Property Initiative Receipts £	3rd Party / Section 106 Unsecured £	
Schemes Managed by Liberata	Finance & Property	Leisure Centre Improvements	75,000	75,000			-			75,000
	Finance & Property	Building Infrastructure Works	248,435	210,760			37,675			248,435
	Finance & Property	Liberata Fee	25,829				25,829			25,829
Page 482 Housing Investment Programme	Housing & Development	Emergency Repairs	120,000			120,000				120,000
	Housing & Development	Better Care Grant	1,000,000			1,000,000				1,000,000
	Housing & Development	Energy Efficiency	40,000			40,000				40,000
	Housing & Development	Empty Homes Programme Interventions, Acquisitions and Demolitions	1,300,000					1,300,000		1,300,000
	Housing & Development		100,000					100,000		100,000
Other Schemes	Green Spaces & Amenities	Crematorium Improvements	142,000	142,000						142,000
	Green Spaces & Amenities	Vehicle and Machinery Replacement	140,000		113,000				27,000	140,000
	Green Spaces & Amenities	Extension of Burnley Cemetery	220,000	220,000						220,000
	Streetscene	River Training Walls	60,000				60,000			60,000
	Streetscene	Alleygate Programme	25,000				25,000			25,000
TOTAL OF ALL SCHEMES			3,496,264	647,760	113,000	1,160,000	148,504	1,400,000	27,000	3,496,264

CAPITAL RECEIPTS AND CONTRIBUTIONS ANALYSIS FOR 2018/19 AND CIP 2019-24

APPENDIX 2

	<u>General Capital Receipts</u> £	<u>Vacant Property Initiatives Receipts</u> £	<u>Section 106 Money</u> £	<u>3rd Party Cont'ns</u> £	<u>Total</u> £
Capital Resources Brought Forward on 1 April 2018	1,090,856	2,703,316	229,981	65,399	4,089,552
Add					
Resources Received As At 30 December 2018:	567,043	147,113	47,272	191,102	952,530
Transfer between reserves	150,000	(150,000)	-	-	-
Further Resources Estimated to be Received during 2018/19:	123,950	-	-	20,000	143,950
Potential Resources Available during 2018/19	1,931,849	2,700,429	277,253	276,501	5,186,032
Less					
Required to finance Capital Programme	(1,142,110)	(1,263,000)	-	(141,147)	(2,546,257)
Earmarked for Revenue Expenditure	-	-	(2,345)	-	(2,345)
Earmarked for Delivery By Outside Bodies	-	-	(162,316)	-	(162,316)
Potential Capital Resources Carried Forward on 31st March 2019	789,739	1,437,429	112,592	135,354	2,475,114
Add					
Resources Estimated to be Received during 2019/20	292,500	1,199,000	-	500,000	1,991,500
Transfer between reserves	150,000	(150,000)	-	-	-
Less					
2019/20 Capital Budget	(974,784)	(1,600,000)	(41,242)	(550,600)	(3,166,626)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2020	257,455	886,429	71,350	84,754	1,299,988
Add					
- Resources Estimated to be Received during 2020/21	193,750	1,050,000	-	122,708	1,366,458
Less					
- 2020/21 Capital Budget	(661,145)	(1,400,000)	(53,350)	(180,360)	(2,294,855)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2021	(209,940)	536,429	18,000	27,102	371,591
Add					
- Resources Estimated to be Received during 2021/22	100,000	1,165,000	-	578,360	1,843,360
Less					
- 2021/22 Capital Budget	(747,483)	(1,400,000)	-	(578,360)	(2,725,843)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2022	(857,423)	301,429	18,000	27,102	(510,892)
Add					
- Resources Estimated to be Received during 2022/23	100,000	1,080,000	-	27,000	1,207,000
Less					
- 2022/23 Capital Budget	(500,720)	(1,400,000)	-	(27,000)	(1,927,720)
Estimated Surplus / (Shortfall) of Resources as at 31st March 2023	(1,258,143)	(18,571)	18,000	27,102	(1,231,612)

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Burnley Borough Council
CAPITAL STRATEGY 2019 to 2024

Contents

	Page
1. Background	2
2. Links to Other Council Strategies and Plans	2
3. Capital Expenditure and Investments	3
4. The Capital Programme	4
5. Funding the Capital Programme	7
6. Management of the Capital Programme	9
7. Risk Management	9
8. Performance Management	10
9. Knowledge and Skills	10

Burnley Borough Council

CAPITAL STRATEGY 2019 to 2024

1. BACKGROUND

The Council is committed to ensuring that the investment of capital resources reflects the Council's corporate priorities and is affordable, financially prudent and sustainable. This Capital Strategy is designed to assist in the delivery of that commitment.

The Capital Strategy is a key document and forms part of the Council's corporate strategic and planning framework with links to the overarching Strategic Plan, the Asset Management Strategy, the Treasury Management Strategy and individual Service Plans which, in turn, link the Strategic Plan to service delivery on the ground.

Providing a high level overview of how capital expenditure and capital financing contribute to the provision of Council services, the strategy also addresses the management of related risks and the implications for future financial sustainability. It outlines the governance processes for prioritisation and approval of capital scheme bids and the monitoring of the approved capital programme.

The preparation and publication of a capital strategy is a requirement of the Chartered Institute of Public Finance and Accountancy's (CIPFA's) Prudential Code of Capital Finance in Local Authorities (the Prudential Code).

2. LINKS TO OTHER COUNCIL STRATEGIES AND PLANS

The Strategic Plan

The current Strategic Plan (covering the period 2017/18 to 2019/20) sets out the Council's overarching priorities and is developed around four main themes:

People – creating flourishing, healthy and confident communities.

Places – making the Borough a place of choice

Prosperity – promoting transformational economic change for Burnley, and

Performance – ensuring a continuous focus on improvement in all aspects of the Council's performance.

The Plan highlights a number of key commitments set against each of these themes which will guide the Council's activity.

This Capital Strategy is designed to ensure that the schemes in the capital programme are linked to and aligned with the above.

Asset Management Strategy (AMS)

The AMS sets out a framework to secure the effective use of all property assets and investment in the Borough within the context of the Council's Corporate Strategy. Informed by individual Council Service Plans and working with other private and public bodies the AMS identifies ongoing requirements and opportunities to maintain, develop and optimise the Council's asset base. The results are fed into the capital programme bidding process providing an essential input to the Capital Strategy. The AMS will also identify existing property assets which are no longer required for service delivery. Where appropriate the Council's Property Disposals Framework deals with disposal of these assets generating capital receipts which may be used to fund the capital programme.

Treasury Management Strategy (TMS)

The Council's capital expenditure plans and the borrowing to finance those plans are key drivers of treasury management activity. This Capital Strategy is designed to ensure, amongst other things, that the capital expenditure and associated financing as set out in the approved capital programme is affordable, financially prudent and sustainable. To assist with this, and to meet the requirements of the Prudential Code, the Council has developed a range of prudential indicators relating to levels of capital expenditure, financing costs and borrowing. In addition, the Council makes a specified minimum charge to revenue each year for the repayment of accumulated borrowing for capital purposes (the minimum revenue provision or MRP). The minimum amount is determined in accordance with Government Regulations. The Council's policies in relation to both the prudential indicators and the MRP, which are reviewed annually, are set out in the TMS.

Treasury management is also involved with ensuring the Council's day to day cash flows are adequately planned, with surplus monies being invested to minimise risk and to guarantee sufficient funds are available when needed (liquidity). These two priorities are satisfied before considering the maximisation of investment return. The TMS outlines in detail the proposed approach to deliver these objectives.

Full Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to the Executive, and for the execution and administration of treasury management decisions to the Head of Finance and Property.

3. CAPITAL EXPENDITURE AND INVESTMENTS

Capital Expenditure

Capital expenditure is incurred on the acquisition or creation of fixed assets and investments, or expenditure that enhances or adds to the life or value of an existing asset that is needed to provide Council services. Fixed assets are tangible or intangible assets that yield benefits to the Council for a period of more than one year, for example, land, buildings, vehicles, IT software. This is in contrast to revenue expenditure which is spending on the day to day running costs of services such as employee costs and supplies and services. For the purposes of this Capital Strategy a major scheme will be one with a total capital cost of £250,000 or above. Major schemes will be subject to a greater degree of rigour regarding bidding (detailed business case required), monitoring and review (both

during the project and post-completion). Current examples of such schemes are those for the Development of Student Accommodation at Sandygate Square and Pioneer Place - Development of Land at Curzon Street and Manchester Road.

Schemes which meet the definition of capital expenditure but with a cost lower than £10,000 are treated as revenue.

Capital Investments

These are investments made for policy reasons and do not include treasury management investments which arise from the Council's cash flows and debt management activity and represent balances which need to be invested until the funds are required.

Capital investments potentially fall into two categories i.e. service investments, which are held for the purposes of operational services including regeneration, and commercial investments.

Commercial investments may include, for example, fixed assets which are held primarily for financial benefit. The Council's current commercial investment portfolio is dominated by a relatively small number of high value town centre freehold assets, the largest of which is the freehold of Charter Walk Shopping Centre.

Proposals for commercial investments will be rigorously assessed in line with other major projects. The Head of Finance and Property will ensure that the Council does not undertake a level of investment which exposes it to excessive risk compared to its financial resources.

Other Long-Term Liabilities

There is a potential for the Council to make certain payments under existing contractual obligations. These are fully provided for and explained in the Statutory Statement of Accounts. Any further long-term liabilities which arise in the future will be identified and recorded by the Head of Finance and Property.

4. THE CAPITAL PROGRAMME

The capital programme represents the Council's approved plan of capital expenditure and investments for the current and future years. It includes details of the funding of each individual capital scheme and will, in future, include the associated revenue implications.

Development of the Capital Programme

The capital expenditure and investment included in the Council's approved capital programme should align with the main themes and key commitments set out in the Council's Strategic Plan. The governance processes outlined below are designed to ensure this happens.

Capital Bids

Proposals for new capital schemes, which should align with the priorities set out in the Strategic Plan, will emerge from Individual Service Plans and the Asset Management Strategy as part of the annual planning process.

Full details of proposed schemes will be presented in a pro forma Capital Bid Form issued to Heads of Service at the start of the capital programme preparation process in October each year. The bid form must include the estimated capital costs, the proposed financing of those costs and any estimated future ongoing revenue costs of the scheme, together with details of the benefits the project brings to service delivery, the risks, threats and opportunities involved and links to the four themes identified in the Strategic Plan.

Assessment of the Bids

The individual bids will be assessed by a Capital Programme Officer Group (CPOG) comprising Finance and Property staff and service representatives. Assessment will be based on a scoring system which measures the merits of the bids against a set of criteria including the strategic fit, risks and financial aspects of the scheme including whether the scheme generates savings, for example, invest to save projects will generally attract a high priority.

The results of the scoring will assist in prioritising the schemes in the event that overall available capital resources (after taking account of the resourcing requirements of schemes already committed) are insufficient to fund all bids.

Following the principle that the degree of process rigour should be proportionate to project size, more detailed business cases are required for major capital schemes. These business cases must demonstrate a link between the outcomes of the project and the benefits to the Council. They must provide evidence of strategic fit, demonstrate that the scheme is affordable, achievable and financially sustainable over the long term and, where appropriate, provide sensitivity analysis of the key financial variables to illustrate the impact of changes in the original assumptions. There must also be a full analysis of the risks, threats and opportunities involved with the project.

Approval of Capital Programme

Following the assessment and prioritisation process, a draft capital programme including previously committed schemes and the prioritised new schemes (both costs and financing over a five year period) is prepared and submitted for approval by the Executive/Full Council in February prior to the start of the first financial year of the new programme.

In the event that a new and essential/urgent capital scheme emerges during the financial year and must be progressed in advance of the annual process, the same disciplines of bidding, assessment and approval must be applied as appropriate.

Current Major Scheme Developments

Three capital schemes with significant financial implications for the Council are currently being developed. Both schemes address key Council priorities.

Pioneer Place – Development of Land at Curzon Street and Manchester Road.

The proposed redevelopment of the Curzon Street site in the town centre will supplement the existing thriving retail and service centre with a wider leisure, cultural and social experience during the day and into the evening that will underpin Burnley as an attractive place to live work and visit.

The site provides an opportunity for a major leisure-led development, bringing a cinema and new restaurants and shops into the town centre.

This scheme is also seen by UCLAN as important to its own growth in Burnley, a key component of the town centre student offer which will attract students to Burnley.

The capital cost of the project is currently forecast to be in the region of £26.3m and will be a major financial commitment for the Council. Currently the net cost to the Council after taking account of partners contributions is planned to be funded by borrowing. For such a major project it is essential to consider the long-term financial implications to ensure they are sustainable. Whole life costing including servicing the debt (both interest and repayment) and other associated revenue costs and income over a 50 year period has been modelled. The model also includes a sensitivity analysis of the key financial variables to provide an indication of the financial impact should any of the original assumptions change.

It should be noted however, that before the Pioneer Place construction commences, the scheme requires:

- i. a pre-let to be completed for the new supermarket on Manchester Road;
- ii. a pre-let to be completed for the new cinema on Pioneer Place; and
- iii. pre-lets to be completed for 75% of the remaining units on Pioneer Place including Unit 2 adjacent the cinema, with the said pre-lets achieving a minimum of 75% of the estimated full rent payable.

Development at Sandygate Square

This project to develop student accommodation will support the Council's strategic themes of Place and Prosperity bringing back to use a redundant brownfield site and ensuring that the infrastructure is in place to enable UCLAN to achieve its aims of growing the number of students in Burnley bringing considerable economic and social benefits to the borough.

The estimated capital cost of the scheme is £9.3m. The proposal is to fund the scheme through external borrowing over a 30 year term.

A financial model of forecast costs and income over the full 30 year period has been prepared, together with a sensitivity analysis of the key financial variables, to inform sustainability considerations.

For both of the above schemes the modelled financial implications over the medium and longer term will be embedded in the Council's overall capital and revenue strategies to enable a view to be taken on the affordability and sustainability of the proposals.

If these projects proceed as planned the current view is that there will be limited scope for any further major capital developments in the period covered by this Capital Strategy. In this period, new projects are likely to be restricted to developments required to meet statutory requirements, those identified in the Asset Management Strategy as essential to maintain the Council's existing asset base and cost saving initiatives. However, the position will be kept under review.

North West Burnley Growth Corridor

This £7.9m project aims to deliver vital infrastructure projects, designed to support housing growth and to revitalise Padiham Town Centre, bringing in funding sources from the Lancashire Local Enterprise Partnership (LEP), the Environment Agency (DEFRA) and Padiham Townscape Heritage. The project brings together two key infrastructure schemes – Flood defence work along the River Calder, unlocking 240 new homes and public realm improvements along Burnley Road in Padiham Town Centre.

5. FUNDING THE CAPITAL PROGRAMME

The availability, affordability and financial sustainability of capital funding will limit the number and value of capital schemes which can be progressed.

The main sources of capital funding are summarised below:

Borrowing

Under the Local Government Act 2003 local authorities are free to decide their own borrowing limits but, under CIPFA's Prudential Code must ensure that, having regard to the Council's financial situation set out in the Medium Term Financial Strategy, any new capital expenditure and the associated financing is prudent, affordable and sustainable.

The annual costs of borrowing (both interest payable and provision for repayment) will be met by the Council and therefore impact directly on affordability and financial sustainability considerations. For this reason borrowing should be kept to a minimum with other sources of funding secured/used where possible.

The Prudential Code specifies certain indicators that the Council must consider and approve annually as part of its budget setting process. These include limits on external borrowing and are designed to assist in assessing the affordability and sustainability of the capital programme. While these indicators provide a useful aid to ensuring a prudent approach to capital financing they do not replace the need for a comprehensive review of the affordability of capital programme proposals.

Capital Receipts

A capital receipt is any income (exceeding £10,000 in each individual case) from the sale of an asset. Any individual capital receipt with a value of £10,000 or less will be treated as revenue income. Capital receipts are an important source of funding for the capital programme.

Through the Asset Management Strategy the Council will identify existing assets which become surplus to requirements through, for example, changes in service delivery or transformation of ways of working. The Council's Property Disposals Framework addresses the process of surplus asset disposal. The sale of these assets generates a capital receipt which can either be used to fund the capital programme or repay outstanding debt on assets financed from loans, subject to regulations, to reduce debt servicing costs.

It is recognised that the ability to generate capital receipts may diminish over time and this will be reflected in forward looking assumptions about the level of receipts available to finance the capital programme.

The Government has issued statutory guidance on the flexible use of capital receipts in the period to March 2022. Subject to certain limits, receipts can be used to offset the revenue cost of transformational projects which are expected to deliver future ongoing revenue savings. The guidance requires local authorities to prepare, approve, publish and maintain a Flexible Use of Capital Receipts Strategy if they wish to take advantage of this flexibility. Capital receipts are already earmarked for funding capital projects in the period covered by the statutory guidance and the Council has no current plans to use the flexibility. The position will however be kept under review.

Revenue Funding

Funding of capital schemes using contributions from revenue is allowed.

However, given the ongoing pressures on the Council's revenue spending, opportunities to do this are currently limited. The issues of prudence, affordability and sustainability apply equally in the case of capital expenditure funded by revenue contributions.

External Funding (Grants and Contributions)

The Council will seek to secure external funding to support the capital programme wherever possible.

Grants are often available in relation to specific programmes or projects and the Council will seek to maximise grant income.

However, capital schemes will not be prioritised simply because they attract either full or partial external funding. They must fit with the Council's key priorities set out in the Strategic Plan and be assessed in the same way as other capital bids.

Contributions will be sought from private sector developers where appropriate under Section 106 of the Town and Country Planning Act 1990. These contributions may be used to mitigate the impact of a development on communities by, for example, improving the infrastructure to support the development.

Contributions may also be available from local partners towards the costs of schemes.

Leasing

With the introduction of Prudential Borrowing this source of financing capital expenditure has become less attractive and the Council decided not to pursue the leasing option for future financing of capital assets. However, it is recognized that conditions can change and there may be instances where leasing could offer value for money. This policy will be kept under review.

Revenue Implications of the Capital Programme

Capital expenditure must be sustainable in the long term through revenue support by the Council. The revenue implications of capital schemes will include the costs of associated borrowing (interest and debt repayment) and all ongoing running costs/income of the assets created.

In order to ensure that capital proposals are affordable and sustainable, the whole life revenue implications of each major capital scheme will be considered at the bidding stage and reviewed periodically during the life of the project.

The revenue impact of all capital schemes will be incorporated into the Council's Medium Term Financial Strategy (MTFS) and a longer term view taken where the financial implications of major schemes extend beyond the medium term horizon.

6. MANAGEMENT OF THE CAPITAL PROGRAMME

In Year Capital Monitoring

For each individual approved capital scheme the Head of Service will nominate a senior officer responsible for managing, monitoring and reporting on scheme progress. This includes providing updated scheme capital costs and producing a narrative explanation of progress including how any deviation from the approved costs, both in terms of amount and phasing between years will be managed.

Changes in forecast revenue costs identified as the project progresses must be reported through the regular revenue and capital monitoring processes.

The individual scheme reports are consolidated by Finance into an overall capital programme monitoring report which is submitted quarterly to the Executive and Full Council for approval. The monitoring report focuses on the overall costs of the programme and the financing of those costs. It also highlights any material changes to the programme together with an explanation of how these changes will be managed and any additional impact on the Council's revenue budget which should also be reflected in the revenue budget monitoring process.

This process is supplemented by further detailed governance requirements and controls set out in the Council's Financial Procedure Rules and Contracts Procedure Rules.

7. RISK MANAGEMENT

Risk management forms an essential part of the Capital Strategy. Major capital schemes require careful management to mitigate, transfer or eliminate the potential risks which can arise. Where key risks or opportunities are identified they should be subject to the provisions and processes set out in the Council's Corporate Risk Management Strategy.

To manage risk effectively, the risks and opportunities associated with each individual capital scheme need to be identified, analysed, monitored and appropriate action taken to mitigate the threats and maximise the opportunities on an ongoing basis. Many risks will be beyond the control of the Council but must nevertheless be monitored closely throughout the project and appropriate action taken where necessary.

In the case of capital schemes risks may include the accuracy of capital cost estimates, the effect of interest rate changes on assumed borrowing costs, inflation and other market changes on estimated construction costs and future running costs/income. There is also a risk that future changes in laws or regulations may affect the costs and timing of projects potentially affecting the viability of the scheme. Specifically in relation to externally funded schemes there is a potentially significant risk that the conditions set by the funding body in terms of both the type and timing of expenditure are not met leading to a loss of anticipated grant.

Where capital investments are planned risks will include security of capital, liquidity and yield assumptions. In such cases, the Head of Finance and Property will ensure that Members are adequately informed and understand the risk exposure.

The referendum on 23 June 2016 resulted in a decision for the United Kingdom to leave the European Union. The negotiations on the exit arrangements are ongoing and there is currently a degree of uncertainty around the economic situation which the Council will face. This may impact a number of the risk elements set out above. The position and its effect on the Council's capital strategy will continue to be closely monitored.

The identification of the risks of each proposed scheme is a part of the capital bidding process and officers must set out the risks when submitting a bid. For major schemes the risks will be identified in the detailed business case together with mitigation actions and an assessment of the residual risk following mitigation. The Council has developed a Corporate Risk/Opportunity Impact Grid to assist in the assessment of key risks and this will be used where risks are identified in relation to major capital schemes as appropriate.

8. PERFORMANCE MANAGEMENT

Progress of all schemes in the capital programme is monitored quarterly through the established capital monitoring process.

A further process will be developed for a formal annual review of performance (both financial and otherwise) of all major capital schemes.

There will also be a final post-completion review of each major scheme.

These reviews will be undertaken by the Capital Programme Officer Group.

The results of these reviews and lessons learned will be used to inform and improve the management of current/future projects.

9. KNOWLEDGE AND SKILLS

At the strategic level governance involves both Council Members and senior officers and it is important to ensure that they possess the appropriate skills and knowledge to ensure that decisions can be properly debated and understood and that scrutiny functions can be effective. Comprehensive training is provided annually to Members and key officers on a wide range of relevant issues to ensure an understanding of their roles and effective engagement in capital and treasury management matters.

At the operational level Finance plays a key role in initiating and supporting the capital programme bidding and monitoring processes. Finance Business Partners play an important role in advising service managers in the preparation of capital bids which have emerged from the service planning process and in the development of business cases for major schemes. Finance also manages the day to day treasury management processes. Training on operational treasury management issues is undertaken periodically, primarily through externally delivered courses, and regular communication from the Council's external advisers keeps staff informed and up to date on latest developments.

The Council employs external treasury management advisers. It is acknowledged that responsibility for treasury management decisions remains with the Council at all times and undue reliance will not be placed upon external advisers. However, they do provide access to valuable specialist skills and resources when required, particularly for a district council with limited in house resources.

In the recent past staffing levels and personnel have changed significantly. It is the Council's intention to carry out a review of the knowledge and skills of all involved in capital activities to ensure they are commensurate with the task. Ongoing assessments will be undertaken during each individual officer's annual Performance and Development Review. Any gaps identified will be addressed through appropriate training.

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EXECUTIVE

BURNLEY TOWN HALL

Monday, 11th February, 2019 at 6.30 pm

92. Treasury Management Strategy 2019/20 and Prudential Treasury Indicators

Purpose.

To comply with the amended Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2011.

To outline a treasury management strategy statement for the financial year 2019/20.

To set out prudential indicators for the financial years 2019/22 in line with the CIPFA's Prudential Code 2017.

To seek approval to increase the maximum limit for deposits with HSBC UK Bank plc to £25m.

To seek approval for the Council's Minimum Revenue Provision (MRP) Policy Statement for the financial year 2019/20 in accordance with Government regulations.

Reason For Decision.

To provide the proper basis required by current Government regulations and guidance to make charges for debt repayment (MRP) to the Council's revenue account

To fulfil statutory and regulatory requirements and to provide a clear framework for local authority capital finance and treasury management.

Decision.

(1) That Full Council be recommended to approve the treasury management strategy statement for 2019/20 as set out in Appendix 1;

(2) That Full Council be recommended to approve the prudential and treasury indicators for 2019/20 to 2021/22 per Appendix 2 including the authorised limit for external debt of £44.480m in 2019/20;

(3) That Full Council be recommended to approve the list of Counterparties for Deposits outlined within Appendix 3;

(4) That Full Council be recommended to approve the increase in maximum deposits to be held with HSBC UK Bank plc to £25m; and

(5) That Full Council be recommended to approve the Council's MRP Statement for 2019/20 as set out in Appendix 4 of this report.

REPORT TO EXECUTIVE

DATE	11 February 2019
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	Asad Mushtaq
TEL NO	01282 477173
EMAIL	amushtaq@burnley.gov.uk

2019/20 Treasury Management Strategy and 2019/20 – 2021/22 Prudential and Treasury Indicators**PURPOSE**

1.
 - a) To comply with the amended Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2011.
 - b) To outline a treasury management strategy statement for the financial year 2019/20.
 - c) To set out prudential indicators for the financial years 2019/22 in line with the CIPFA's Prudential Code 2017.
 - d) To seek approval to increase the maximum limit for deposits with HSBC UK Bank plc to £25m.
 - e) To seek approval for the Council's Minimum Revenue Provision (MRP) Policy Statement for the financial year 2019/20 in accordance with Government regulations.

RECOMMENDATION

2. That the Executive recommend to Full Council approval of ;
 - a) The treasury management strategy statement for 2019/20 as set out in Appendix 1
 - b) The prudential and treasury indicators for 2019/20 to 2021/22 per Appendix 2 including the authorised limit for external debt of £44.480m in 2019/20.
 - c) The list of Counterparties for Deposits outlined within Appendix 3.
 - d) The increase in maximum deposits to be held with HSBC UK Bank plc to £25m.
 - e) The Council's MRP Statement for 2019/20 as set out in Appendix 4 of this report.

REASONS FOR RECOMMENDATION

- 3 a) To provide the proper basis required by current Government regulations and guidance to make charges for debt repayment (MRP) to the Council's revenue account.
- 3 b) To fulfil statutory and regulatory requirements and to provide a clear framework for local authority capital finance and treasury management.

SUMMARY OF KEY POINTS

4. **Background**

The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering maximising investment return.

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

As a consequence treasury management is defined as:

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

5. **Treasury Management Statutory & Regulatory Requirements**

The Council is required to adopt a Treasury Management Strategy each year in advance of the forthcoming year. This report sets out the Treasury Management Strategy Statement for 2019/20 in Appendix 1 as well as the Prudential and Treasury Indicators for 2019/20 to 2021/22 in Appendix 2.

The primary requirements of the Code are as follows:

The Council is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

- Treasury strategy and prudential and treasury indicators (this report) covering:
 1. the capital plans (including prudential indicators);
 2. a minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
 3. the treasury management strategy (how the investments and

borrowings are to be organised) including treasury indicators; and

4. an investment strategy (the parameters on how investments are to be managed).

- A mid year treasury management report – This will update members with the progress of the capital position, amending prudential indicators as necessary, and whether the treasury strategy is being met or whether any policies require revision.
- An annual treasury report – This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy during the previous year.

Scrutiny

Full Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to the Executive, and for the execution and administration of treasury management decisions to the Head of Finance & Property, who will act in accordance with the Council's policy statement and Treasury Management Practices (TMP's) and CIPFA's Standard of Professional Practice on Treasury Management.

Capital Strategy

The CIPFA revised 2017 Prudential and Treasury Management Codes require, for 2019-20, all local authorities to prepare an additional report, a Capital Strategy report, which will provide the following;

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

The aim of this capital strategy report is to ensure that all elected members on the Full Council fully understand the overall long term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite entailed by this Strategy.

The Capital Strategy will include capital expenditure, investments and liabilities and treasury management in sufficient detail to allow members to understand how stewardship, value for money, prudence, sustainability and affordability will be secured.

Increase in Borrowing Requirement

Tables 1 and 2 in Appendix 1 show a significant increase in the council's borrowing need for 2019/20 and the following two years. This is due to two major developments, being On the Banks Development-Sandygate Square (Student Accommodation) and Pioneer Place, as approved for inclusion in the Capital Programme by Full Council in December 2018.

It should be noted however that before the Pioneer Place construction commences the scheme requires:

- i. a pre-let to be completed for the new supermarket on Manchester Road;
- ii. a pre-let to be completed for the new cinema on Pioneer Place; and
- iii. pre-lets to be completed for 75% of the remaining units on Pioneer Place including Unit 2 adjacent the cinema, with the said pre-lets achieving a minimum of 75% of the

estimated full rent payable.

List of Counterparties

Appendix 3 summarises the proposed limits and methodology for choosing counterparties for deposits.

Minimum Revenue Provision (MRP)

Attached in Appendix 4 is the Council's annual policy statement for making minimum revenue provision on outstanding debt.

Economic Update

Appendix 5 shows an abridged version of Link Asset Services, the Council's treasury management advisors view of the current economic climate and the prospects for interest rates.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

- 6.
- The limit which can be deposited with the Council's bankers is to be increased from £15m to £25m as per Appendix 3.
 - The maximum value of deposits over 364 days and up to 2 years is to be £4m (with a maximum of £2m with any one counterparty, with the exception of the banking institutions whose individual limit is £4m). See Appendix 3.
 - The new limits for external debt for 2019/20 will be £40.436m for the operational boundary and £44.480m for the authorised limit (2018/19 = £33.817m).

POLICY IMPLICATIONS

7. Compliance with the revised CIPFA Code of Practice on Treasury Management.

DETAILS OF CONSULTATION

8. None

BACKGROUND PAPERS

9. None

FURTHER INFORMATION

PLEASE CONTACT:

Janice Hesketh
Accountancy Officer

Asad Mushtaq
Head of Finance and Property

Treasury Management Strategy for 2019/20

The strategy for 2019/20 covers two main areas:

Capital Issues

- the capital plans and the prudential indicators; the Minimum Revenue Policy (MRP) in Appendix 4.

Treasury Management Issues

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

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, Ministry of Housing, Communities and Local Government (MHCLG) MRP Guidance, the CIPFA Treasury Management Code and MHCLG Investment Guidance.

Capital issues

The Capital Prudential Indicators 2019/20 – 2021/22 (See Table 1 in Appendix 2)

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

Capital Expenditure. This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle.

The table below summarises the capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding need (borrowing).

Table 1 Capital Expenditure	2017/18 Actual £000	2018/19 Revised Estimate £000	2019/20 Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000
Programmed Spend	9,982	7,823	18,216	26,455	17,521
Financed by:					
Capital receipts	946	2,405	2,575	2,061	2,148
3rd Party Contributions	343	141	592	234	578
Capital grants	4,278	3,155	6,791	4,488	5,006
Revenue	1,944	1,227	805	1,035	555
Net borrowing need for the year	2,471	895	7,453	18,637	9,234

Ratio of Financing Costs to Net Revenue Streams

This indicator shows the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) expressed as a percentage against the net revenue stream. Table 1 in Appendix 2 shows there is a general trend that financing costs are taking up a higher percentage of the revenue budget. This is due to forecast reductions in future aggregate external funding based on 'revenue spending power' for the Council through reduced Government grant.

The Council's Borrowing Need (the Capital Financing Requirement)

This prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR and is represented by the net financing need for the year line. The Council's CFR is shown in Table 1 of Appendix 2 and below.

The CFR does not increase indefinitely, as the MRP is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life.

Table 2	2017/18 Actual £000	2018/19 Revised Estimate £000	2019/20 Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000
Capital Financing Requirement					
Total CFR at 31 st March	30,230	30,295	36,760	54,353	62,510
Net financing need for the year	1,671	65	6,465	17,593	8,157

£m	2017/18 Actual £000	2018/19 Revised Estimate £000	2019/20 Estimate £000	2020/21 Estimate £000	2021/22 Estimate £000
Movement in CFR represented by					
Net borrowing need for the year (Table 1 above)	2,471	895	7,453	18,637	9,234
Less MRP and other financing movements	(800)	(830)	(988)	(1,044)	(1,077)
Movement in CFR in Year	1,671	65	6,465	17,593	8,157

Treasury Management Issues

The capital expenditure plans set out above, provide details of the activity of the Council. The treasury management function ensures that the Council's cash is organised within the relevant professional codes, so that sufficient cash is available to meet these activities. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury/prudential indicators, the current and projected debt positions and the annual

investment strategy.

The Council's Current Portfolio Position

Within the prudential indicators in Appendix 2 there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt, does not exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2019/20 and the following two financial years. In the Council's case, the estimated external debt at 31st March 2019 of £25m is less than the CFR which ranges from £30.2m to £62.5m which means that the Council 'borrows internally' (using reserves and balances) to finance past capital spending as this tends to be cheaper than external debt.

Treasury Limits for 2019/20 to 2021/22

It is a statutory duty under Section 3 of the Act and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the "Authorised Borrowing Limit".

The Council must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax levels is 'acceptable'.

Whilst termed an "Affordable Borrowing Limit", the capital plans to be considered for inclusion incorporate financing by both external borrowing and other forms of liability, such as credit arrangements. The Authorised Limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years, details of the Authorised Limit can be found in Table 2 in Appendix 2 of this report outlining the prudential and treasury indicators for 2019/20 – 2021/22.

The Operational Boundary is the limit beyond which external debt is not normally expected to exceed and is normally similar to the CFR. It is proposed to set this at 10% above the CFR.

The Authorised Limit is a further key indicator representing a control on the maximum level of borrowing, beyond which external debt is prohibited, and this limit needs to be set or revised by the Full Council. It reflects the level of external debt which, whilst not desired, could be afforded in the short term, but is not sustainable in the longer term. It is proposed to set this at 10% above the operational boundary and includes provision for 'unusual cash movements'.

The Borrowing Strategy

The Council is currently maintaining an under-borrowed position which means that the capital borrowing need (the CFR), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is relatively high.

The Head of Finance & Property will monitor interest rates and adopt a pragmatic approach to changing circumstances:

Appendix 1

- if it was felt that there was a significant risk of a sharp fall in long and short term rates, then long term borrowings will be postponed,
- if it was felt that there was a significant risk of a much sharper rise than that currently forecast, then the portfolio will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are still relatively low.
- will take a view on prevailing and perceived future interest rates and take decisions on whether to borrow longer-term or short-term accordingly whenever a borrowing requirement arises. As well as taking a view on the appropriate mix of fixed and variable interest rate exposure in the light of prevailing and perceived future market conditions.
- undertake a constant review of the Council's total external debt portfolio to determine the scope for any restructuring possibilities and make recommendations to Full Council accordingly.

Treasury Management - Limits on Activity

There are three debt related treasury activity limits, the purpose of which is to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. The indicators are:

- Upper limits on variable rate exposure;
- Upper limits on fixed rate exposure;
- Maturity structure on borrowing limits which are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The Borrowing Policy and Borrowing Requirement

The Council will not borrow more than or in advance of its need purely in order to profit from the investment of the extra sums borrowed.

The Council's maximum borrowing requirement (Authorised Limit for external debt) is £44.480m next year. This is limited to 10% above the operational boundary of £40.436m, which has been set at 10% above the CFR.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

Debt Rescheduling

As short term borrowing rates will be considerably cheaper than longer term rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include: -

- the generation of cash savings and / or discounted cash flow savings
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential left for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

All rescheduling will be reported to the Council at the earliest meeting following its action.

Investment Strategy

Background:

There are strict limits in terms of the type of institution with which funds may be deposited and the length of time funds can be invested for. These limits are reviewed annually [as a minimum] . The latest deposit counterparties list was approved by the Full Council on 21 February 2018..

The Council's deposit priorities focus on;

- Security of Capital
- Liquidity, and
- Yield

The Council will aim to achieve optimum return [yield] on deposits commensurate with proper levels of security and liquidity.

Monitoring Performance:

The council has retained HSBC UK Bank plc as the provider for administering the Council's banking facilities [contract renewed in December 2018 for a three year term]. The Council continues to have a 'sweep' facility for our current account. This means that if we do not deposit monies with other counterparties but leave the balance with HSBC, they will automatically transfer the money into an interest earning deposit account. This account is effectively a call account whereby we can get the money back instantly if required. The current rate the Council is achieving on these deposits is higher than that achieved with some other counterparties.

Approved list of Counterparties for Deposits

As part of the Treasury Policy Statement, as a minimum, the approved list of counterparties are reviewed annually and reported to Council. The current list was approved on 21 February 2018.

Due to the significant increase in borrowing in 2019/20 and 2020/21 it is proposed that the maximum deposit limit of £15m with HSBC UK Bank plc be increased to £25m, to be kept under review during completion of the major capital schemes during this period.

It is also proposed that the maximum amount that can be deposited with other counterparties for a period exceeding 364 days and up to 2 years remains limited to £4m which is shown in Appendix 3.

Creditworthiness Policy

This Council uses the creditworthiness service provided by Link Asset Services. This service uses a sophisticated modelling approach with credit ratings from all three rating agencies – Fitch, Moodys and Standard and Poors, forming the core element. However, it does not rely solely on the current credit ratings of counterparties but also uses the following as overlays: -

Appendix 1

- credit watches and credit outlooks from credit rating agencies
- Credit Default Swaps (CDS) spreads to give early warning of likely changes in credit ratings
- sovereign ratings to select counterparties from only the most creditworthy countries

This modelling approach combines credit ratings, credit watches, credit outlooks and CDS spreads in a weighted scoring system for which the end product is a series of colour code bands which indicate the relative creditworthiness of counterparties. These colour codes are also used by the Council to determine the duration for investments and are therefore referred to as durational bands. The Council is satisfied that this service gives a much improved level of security for its investments. It is also a service which the Council would not be able to replicate using in house resources.

The Council is alerted to changes to ratings of all three agencies through its use of the Link Asset Services' creditworthiness service.

- If a downgrade results in the counterparty/investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.

In addition to the use of Credit Ratings the Council will be advised of information on

- movements in CDS against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Councils lending list.

Sole reliance will not be placed on the use of this external service. In addition this Council will also use market data and market information, and information on any external support for banks to help support its decision making process.

Property Funds

The council completed the appraisal and selection process for a property fund investment in October 2018. A maximum limit of £2m to be invested in total in a property fund was agreed in the mid-year report in November 2017/18.

Policy on the use of treasury management consultants

The Council uses Link Asset Services as its external treasury management advisors.

The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Head of Finance & Property through recommendations to Full Council, will ensure that the terms of their appointment and the methods by which their value will be assessed, are properly agreed and documented, and will be subject to regular review.

PRUDENTIAL AND TREASURY INDICATORS

PRUDENTIAL INDICATORS - A Brief Description

Capital Expenditure

This shows the capital programme as it currently stands. Members will note that the amount estimated to be included within the programme for 2019/20 is £18.216 million.

This is an increased value from the previous year, and is due to significant projects being undertaken by the council including Pioneer Place and Sandygate developments.

It is not known exactly at this stage what the effects on revenue of sustaining a high level of capital programme investment will be in future years. It is however envisaged that there will continue to be a significant contribution from grants. This will minimise borrowing to within prudential levels and thus keep the resultant financing charge to the revenue budget within prudent limits.

Ratio of Financing Costs to Net Revenue

The net revenue stream is the estimated amount of spending to be met from Government Grants and local taxpayers. It is used in projections and for estimating the need for budget savings. It is based upon the system of Government revenue support and assumes a 2.99% increase in Council Tax for 2019/20 and a 1.99% increase for the following two years.

Financing costs include interest on borrowing and the amount included in the budget for repayment of debt. (Minimum Revenue Provision)

Net Borrowing Requirement

This is a key indicator of prudence. In order to ensure that over the medium term net borrowing will only be for a capital purpose, the Council should ensure that net external borrowing does not, except in the short term, exceed the total of the capital financing requirement (CFR) in the previous year plus the estimates of any additional capital financing requirement in the current year and the next two financial years. At all times the level of borrowing will be monitored to ensure that it does not exceed the estimated capital financing requirement in two years time.

Capital Financing Requirement as at 31 March

The capital financing requirement is an indication of how much the Council needs to borrow for capital purposes. This is as a result of not financing capital expenditure "up front" by means of capital receipts, grants etc. and relying on borrowing, which is ultimately repaid and then replaced if required.

Incremental impact of capital investment decisions

The prudential indicators for the incremental impact on council tax have been removed in the revised Prudential Code 2017. This is to allow focus on a longer term and a more informed view of affordability.

PRUDENTIAL AND TREASURY INDICATORS 2019/20 - 2021/22

TABLE 1 - PRUDENTIAL INDICATORS	2017/18 Actual £' 000	2018/19 Revised Estimate £' 000	2019/20 Estimate £' 000	2020/21 Estimate £' 000	2021/22 Estimate £' 000
Capital Expenditure	9,982	7,823	18,216	26,455	17,521
Ratio of financing costs to net revenue stream	11.6%	12.0%	13.1%	15.5%	20.6%
Net borrowing requirement brought forward 1 April	/	/	40,436	59,788	68,761
Capital Financing Requirement as at 31 March	30,230	30,295	36,760	54,353	62,510

TABLE 2 - TREASURY MANAGEMENT INDICATORS	2017/18 Actual £' 000	2018/19 Revised Estimate £' 000	2019/20 Estimate £' 000	2020/21 Estimate £' 000	2021/22 Estimate £' 000
Authorised Limit for external debt -	/	/	44,480	65,767	75,637
<i>For 2019/20, this is the Council's statutory limit for debt as determined under section 3(1) of the Local Government Act 2003. Limits have also been provisionally set for the following two financial years. These limits include provision for "unusual cash movements" as referred to in the Code.</i>					
Operational Boundary for external debt -	/	/	40,436	59,788	68,761
<i>This is lower than the authorised limit by the additional headroom provided for "unusual cash movements". It equates to the maximum level of external debt projected in estimates.</i>					
Actual/Estimated external debt at year end	24,134	25,002	/	/	/
Upper limit for fixed interest rate exposure expressed as :- Net interest re fixed rate borrowing / investments	/	/	100%	100%	100%
Upper limit for variable rate exposure expressed as :- Net interest re variable rate borrowing / investments	/	/	25%	25%	25%
Upper limit for total principal sums invested over 364 days	0	4,000	4,000	4,000	4,000

TABLE 3 - Maturity Structure of fixed rate borrowing during 2019/20		lower limit	upper limit
This indicator limits the period to repayment of overall expected debt outstanding and shows five bands. There are minimum and maximum proportions of overall debt within each band. This means that the amount of debt in each band will fall within this range as a proportion of overall debt.	under 12 months	0%	20%
	12 months - within 24 months	0%	20%
	24 months - within 5 years	5%	25%
	5 years - within 10 years	5%	30%
	10 years and above	15%	70%

Link Asset Services Methodology in Determining Creditworthiness of Counterparties:

Link Asset Services' creditworthiness service employs a sophisticated modelling approach with credit ratings from all three rating agencies - Fitch, Moodys and Standard and Poors, forming the core element. However, it does not rely solely on the current credit ratings of counterparties but also uses the following as overlays:

- credit watches and credit outlooks from credit rating agencies
- Credit Default Swap [CDS] spreads to give early warning of likely changes in credit ratings and gauge a market view of the counterparty
- sovereign ratings to select counterparties from only the most creditworthy countries

Link Asset Services' modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour code bands which indicate the relative creditworthiness of counterparties. These colour codes are used to determine the maximum duration for deposits and are therefore referred to as durational bands. This approach gives a much improved level of security for its deposits. The table below also shows the current limits for deposits with any bank or group of banks which is £2m except for the Councils own bank, HSBC, which has an individual limit of £25m and other named institutions below (£4m) .

Banking Institutions Colour Bandings	Maximum Duration [per Link Asset Services]	Current Individual Limits per Bank / Group of Banks (£)
White	0 months	No deposits to be placed
Green	100 days	Unlimited, but no more than 4m per Bank / Group of Banks
Red	6 months	Unlimited, but no more than 4m per Bank / Group of Banks
Orange/Blue	12 months	To a maximum of 4m over 364 days, and no more than 4m per Bank / Group of Banks
Purple	24 months	To a maximum of 4m over 364 days, and no more than 4m per Bank / Group of Banks

As previously stated, an exception to the above is that the Councils own bank, HSBC, has an individual limit of £25m.

Other Institutions	Maximum Duration	Individual Limits (£)
Local Authorities	12 months	2m
Government Debt Management Office	12 months	Unlimited
Lancashire County Council Call Account	12 months	2m
Money Market Fund*	12 months	1m

* the total amount deposited in Money Market Funds not to exceed the lower of £2m or 40% of the Council's total deposits.

Banks / Groups of Banks & Building Societies whose Individual Limit is £4m

The following banking institutions have individual limits of £4m:-

Lloyds Banking Group plc including Bank of Scotland and Lloyds Bank
Royal Bank of Scotland Group plc including National Westminster Bank and Royal Bank of Scotland
Abbey National Treasury Services plc
Barclays Bank
Santander UK plc
Nationwide Building Society
Goldman Sachs International Bank

Minimum Revenue Provision (MRP) policy statement 2019/20

The Council is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

CLG regulations have been issued which require the full Council to approve an MRP Statement in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement:

Annual Statement on Policy for Making Minimum Revenue Provision on Outstanding Debt (Annual MRP Statement)

Relating to the Financial Year 2019/20

The Council's policy on making the minimum revenue provision (MRP) for the repayment of debt to be charged to the Council's revenue account for the financial year 2019/20 is as follows:

The MRP shall be calculated in accordance with the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 and the guidance issued under section 21(1A) of the Local Government Act 2003.

The Council is recommended to approve the following MRP Statement:

The MRP shall be calculated:

- a) For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, MRP will be charged on a 2% straight line basis. This ensures that the debt will be repaid within 50 years.
- b) For capital expenditure funded from prudential borrowing in accordance with option 3 of the guidance for financial years 2008/09 to 2018/19 and assumed for 2019/20.

Calculated on the asset life method - using the equal instalment method. The calculation will divide the borrowing relating to each particular asset and divide this by the estimated life of the asset to produce an equal annual charge to the revenue account. This will also be the method used when the asset is not Burnley Council's asset but where the Council has made a capital contribution to the cost.

The total of a) and b) above will be the overall annual MRP.

Regulations allow Authorities to apply an 'MRP holiday', whereby the MRP charge is deferred until a year after the practical completion of the asset. The Authority will apply this allowance where appropriate.

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Economic update

(provided by the Council's external service providers, Link Asset Services):

1/ Global economy:

The Eurozone (EZ). Growth was 0.4% in quarters 1 and 2 but fell back to 0.2% in quarter 3, though this was probably just a temporary dip. In particular, data from Germany has been mixed and it could be negatively impacted by US tariffs on a significant part of manufacturing exports e.g. cars. For that reason, although growth is still expected to be in the region of nearly 2% for 2018, the horizon is less clear than it seemed just a short while ago. Having halved its quantitative easing purchases of debt in October 2018 to €15bn per month, the European Central Bank ended all further purchases in December 2018. The ECB is forecasting inflation to be a little below its 2% top limit through the next three years so it may find it difficult to warrant a start on raising rates by the end of 2019 if the growth rate of the EU economy is on a weakening trend.

USA. President Trump's massive easing of fiscal policy is fuelling a, (temporary), boost in consumption which has generated an upturn in the rate of strong growth which rose from 2.2%, (annualised rate), in quarter 1 to 4.2% in quarter 2 and 3.5%, (3.0% y/y), in quarter 3, but also an upturn in inflationary pressures. The strong growth in employment numbers and the reduction in the unemployment rate to 3.9%, near to a recent 49 year low, has fed through to an upturn in wage inflation which hit 3.2 % in November, However, CPI inflation overall fell to 2.2% in November and looks to be on a falling trend to drop below the Fed's target of 2% during 2019. The Fed has continued on its series of increases in interest rates with another 0.25% increase in December to between 2.25% and 2.50%, this being the fifth increase in 2018 and the ninth in this cycle. However, they did also reduce their forecast for further increases from three to two. This latest increase compounded investor fears that the Fed is over doing the rate and level of increases in rates and that it is going to cause a US recession as a result. There is also much evidence in previous monetary policy cycles, of the Fed's series of increases doing exactly that. Consequently, we have seen stock markets around the world plunging under the weight of fears around the Fed's actions, the trade war between the US and China, an expectation that world growth will slow, Brexit etc.

China Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems. Progress has been made in reducing the rate of credit creation, particularly from the shadow banking sector, which is feeding through into lower economic growth. There are concerns that official economic statistics are inflating the published rate of growth.

Japan. - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy. It is likely that

loose monetary policy will endure for some years yet to try to stimulate growth and modest inflation.

2/ UK economy:

Economic Growth The flow of positive economic statistics since the end of the first quarter of 2018 has shown that pessimism was overdone about the poor growth in quarter 1 when adverse weather caused a temporary downward blip. Quarter 1 at 0.1% growth in GDP was followed by a return to 0.4% in quarter 2 and by a strong performance in quarter 3 of +0.6%. However, growth in quarter 4 is expected to weaken significantly.

Inflation. The Consumer Price Index (CPI) measure of inflation has been falling from a peak of 3.1% in November 2017 to 2.3% in November. In the November Bank of England quarterly Inflation Report, inflation was forecast to still be marginally above its 2% inflation target two years ahead, (at about 2.1%), given a scenario of minimal increases in Bank Rate. This inflation forecast is likely to be amended upwards due to the Bank's report being produced prior to the Chancellor's announcement of a significant fiscal stimulus in the Budget; this is likely to add 0.3% to GDP growth at a time when there is little spare capacity left in the economy, particularly of labour.

Forward guidance. At their November quarterly Inflation Report meeting, the MPC repeated their well-worn phrase that future Bank Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary or contractionary), than before the crash; indeed they gave a figure for this of around 2.5% in ten years time, but declined to give a medium term forecast. However, with so much uncertainty around Brexit, they warned that the next move could be up or down, even if there was a disorderly Brexit. While it would be expected that Bank Rate could be cut if there was a significant fall in GDP growth as a result of a disorderly Brexit, so as to provide a stimulus to growth, they warned they could also *raise* Bank Rate in the same scenario if there was a boost to inflation from a devaluation of sterling, increases in import prices and more expensive goods produced in the UK replacing cheaper goods previously imported, and so on. In addition, the Chancellor could potentially provide fiscal stimulus to support economic growth, though at the cost of increasing the budget deficit above currently projected levels.

Prospects for Interest Rates

Part of the service provided by Link Asset Services is to assist the Council to formulate a view on interest rates and the table below gives Link Asset Services forecast.

The flow of generally positive economic statistics after the quarter ended 30 June meant that it came as no surprise that the MPC came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, from 0.5% to 0.75%. Growth became increasingly strong during 2018 until slowing significantly during the last quarter. At their November quarterly Inflation Report meeting, the MPC left Bank Rate unchanged, but expressed some concern at the

Chancellor's fiscal stimulus in his Budget, which could increase inflationary pressures. However, it is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. On a major assumption that Parliament and the EU agree a Brexit deal in the first quarter of 2019, then the next increase in Bank Rate is forecast to be in May 2019, followed by increases in February and November 2020, before ending up at 2.0% in February 2022.

Link Asset Services interest rate forecast:

Link Asset Services Interest Rate View													
	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22
Bank Rate View	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.75%	1.75%	1.75%	2.00%
3 Month LIBID	0.90%	1.00%	1.10%	1.20%	1.30%	1.40%	1.50%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%
6 Month LIBID	1.00%	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%
12 Month LIBID	1.20%	1.30%	1.40%	1.50%	1.60%	1.70%	1.80%	1.90%	2.00%	2.10%	2.20%	2.30%	2.40%
5yr PWLB Rate	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%	2.80%	2.80%
10yr PWLB Rate	2.50%	2.60%	2.60%	2.70%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%
25yr PWLB Rate	2.90%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB Rate	2.70%	2.80%	2.90%	2.90%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.40%

The interest rate forecasts provided by Link Asset Services are predicated on an assumption of an agreement being reached on Brexit between the UK and the EU. In the event of an orderly non-agreement exit, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help economic growth deal with the adverse effects of this situation. This is also likely to cause short to medium term gilt yields to fall. If there was a disorderly Brexit, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly. It is also possible that the government could act to protect economic growth by implementing fiscal stimulus.

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Members Allowance Scheme 2019-2022

REPORT TO FULL COUNCIL



DATE	20/02/2019
PORTFOLIO	Leader
REPORT AUTHOR	Imelda Grady
TEL NO	01282 477258
EMAIL	igrady@burnley.gov.uk

PURPOSE

1. To consider the Members Allowance Scheme for the period 2019- 2022.

RECOMMENDATION

2. That Full Council set the level of Members Allowances for 2019- 2022 as set out in paragraphs 6 -9 of the report and in Appendix 1 to this report.

REASONS FOR RECOMMENDATION

3. The Local Authorities (Members Allowances)(England) Regulations 2003 state that an Authority may not set or amend its Members Allowance Scheme unless it has considered the findings of an Independent Remuneration Panel (IRP).

Whilst the Council must have regard to the advice of the IRP it is for Council to set the scheme.

The Local Authorities (Members Allowances)(England) Regulations 2003 require that the setting of a Members Allowance Scheme must be determined by the Council prior to 1st April each year and the Scheme be published in a local newspaper.

SUMMARY OF KEY POINTS

4. The Independent Remuneration Panel conducted a review of the members' allowance scheme during 2018 and its findings were considered by Full Council at its meeting on 19th December 2018. The Panel's full report is attached at Appendix 2.
5. The main findings of the Panel were that the allowances in Burnley were now up to a level comparable with that of that of neighbouring authorities and adequately recompensed members for their work and ensured that they were not out of pocket.
6. The Panel felt however that there was a case for further small increases to be made to ensure the level of allowances did not fall behind and therefore recommended that the scheme be index linked the to the percentage increase in employees pay under the

National Joint Council (Administrative, Professional, Technical and Clerical) pay structure and be for a three year scheme from 1st April 2019.

7. The Panel also noted that the number of Group Leaders had increased over the past three years and this had put a strain on the budget. The Panel therefore recommended that the scheme introduces a shared allowance for the opposition Group Leaders equal to one basic allowance payment. The Panel recommended that there be no other changes to the multipliers used to set the special responsibility allowances.
8. The Panel's recommendations for the scheme of members' allowances 2019-2022 attached at Appendix 1 to this report.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

9. The budget provision for 2019/20 is £216,525

Implementing the NJC staff pay award which has been confirmed as 2% for 2019/20, would requires a budget of £217,342 in year one giving a shortfall of £817. This can be met within the budget for 2019/20.

Years two and three would be subject to the index linked to NJC staff pay awards.

POLICY IMPLICATIONS

10. Council must have regard to the IRP recommendations before it takes a decision of the level of allowances paid to its elected members.

DETAILS OF CONSULTATION

11. Member Structures and Support Working Group (06.12.18)
12. Full Council (19.12.18)

BACKGROUND PAPERS

13. None

FURTHER INFORMATION

PLEASE CONTACT:

Imelda Grady

ALSO:

Catherine Waudby

THE MEMBERS ALLOWANCE SCHEME 2019 - 2022

1. **Basic Allowance** -The level of basic allowance paid to all members be linked to the National Joint Council (Administrative, Professional, Technical and Clerical) pay structure for the next three years up to 31st March 2022. The level of basic allowance from 1st April 2019 will be £3570.

2. **Special Responsibility Allowances** -That there be no change to the definition of roles that attract special responsibility allowances but that the multipliers be adjusted to that shown in brackets below
 - The Leader (basic allowance x 3.50)
 - The Deputy Leader (basic allowance x 1.00)
 - Executive portfolios (basic allowance x 1.25)
 - Chair of Scrutiny Committees (basic allowance x 1.25)
 - Chair of Development Control Committee (basic allowance x 0.80)
 - Chair of Licensing Committee (basic allowance x 0.50)
 - Chair of Audit and Standards Committee (basic allowance x 0.50)
 - Vice Chair of Development Control Committee (basic allowance x 0.40)
 - Opposition Group Leaders (shared basic allowance x 1.00)

The following table shows the levels of basic and special responsibility allowances for 2019/20 based on the agreed 2% increase in NJC pay structure. The Members Allowance Scheme for 2020/21 and 2021/22 will be subject the percentage increases in NJC staff pay structure.

	2019/20	Totals
Basic x 45	3,570.00	160,650.00
Leader x 1	12,495.00	12,495.00
Deputy Leader x1	3,570.00	3,570.00
Executive Members x 5	4,462.50	22,312.50
Scrutiny Chair x 1	4,462.50	4,462.50
Scrutiny Vice Chair x 1	1,428.00	1,428.00
Audit & Standards Chair x 1	1,785.00	1,785.00
Development Control Chair x 1	2,856.00	2,856.00
Development Control Vice Chair x1	1,428.00	1,428.00
Licensing Chair x 1	1,785.00	1,785.00
Opposition Group Leaders x 4	892.50	3,570.00
Independent Persons (Standards)x2	500.00	1,000
Total		217,342

3. **Dependent Carers and Childcare Allowances** - That the dependent carers' allowance and childcare allowance be paid at the current rate of the adult minimum wage and be paid under the following criteria.

Limitations

Costs necessarily incurred for:

- A child or children under the age of 16
- An elderly relative requiring full-time care
- A relative with a physical disability requiring full-time care
- A relative with learning disabilities requiring full-time care

Safeguards

The person for whom care has been arranged must live in the same household as the member

The care in respect of which the allowance is claimed must not be provided by a person living in the member's household, or by another parent of a child in the household;

Disabled dependents are excluded where the member is already in receipt of a carer's allowance;

The member must notify the Council of the identity of the carer in respect of whose costs the allowance is claimed and the cared for;

Child(ren) or dependent must be registered with the Council in advance of any claim being made .

4. **Travel and subsistence allowance –**

The following travel and subsistence allowances shall be paid for attendance at approved events.

Car allowance - This be the same rate as that paid to officers determined locally.

Motor cycle allowance - This be the same rates as that set by HMRC

Other travel allowances

That the payment of travelling allowances by taxi cab be provided for Disabled and Vulnerable Members not to exceed; a) in cases of urgency or where no public transport was reasonably available, the amount of the actual fare and any reasonable gratuity paid; and b) in any other case the amount of travel by appropriate public transport. Subsistence allowance be the same as that paid to officers, as at 2019 this is

Meal	Maximum Allowance	Criteria
Breakfast	£7.44	before 8.00am
Lunch	£10.27	between 12 noon – 2pm
Tea	£4.04	after 6.30pm
Evening Meal	£12.70	after 8.30pm

If a member is away from their home on official Council business for a continuous period of 24 hours or more, and as a result is required by the Council to stay in accommodation overnight, they will be reimbursed with the actual costs incurred.

5. **Co-optees Allowance** - That no additional co-optees allowances be paid
6. **Annual Adjustment of Allowances** - That there be an annual adjustment of allowances in line with the percentage increase in employee's pay under the National Joint Council (Administrative, Professional, Technical and Clerical) Pay Award
7. **Backdating** - That there be no backdating of allowances.
8. **Repayment/suspension of allowances** - That there be repayment of allowances should a councillor be suspended, cease to be a councillor due to a relevant conviction or non-attendance, or resigns.
9. **Pensions** - That no member allowances be classified as pensionable under the Regulations.
10. **Foregoing allowances** – Any person may forego all or part of any allowances to which they are entitled. To do this they must give notice in writing to the proper officer of the Council.

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REPORT OF THE INDEPENDENT REMUNERATION PANEL

December 2018

Introduction by the Chair

I am pleased to present the report of the Independent Remuneration Panel for consideration by Council.

The Panel's remit is to look independently and objectively at the allowances paid to the elected members on Burnley Borough Council and to make recommendations on any amendments that we think are justified.

Back in 2015 we were pleased that Council accepted our recommendations for a three year scheme of allowances which resulted in Burnley's members' allowance scheme being more in line with that of neighbouring authorities. The Panel believes that the increases made over the last three years justifiably recognises the commitment and support that members provide to the Borough, its communities and residents.

This year we are recommending a further three year scheme but one which is linked to the NJC staff pay increases. We believe this is a sensible approach as it provides for allowances to increase at an appropriate rate and prevents the need for periodic 'catch-up' sums which are more difficult for members to agree to.

I and my colleagues on the Panel appreciate that setting members' allowances can be a challenging issue, especially in times of financial constraints. However we maintain that Councillors should be recompensed adequately for their efforts. We sincerely hope that Council members do not politicise what should be a non-political process of determining appropriate compensation.

In compiling this report the Panel would like to acknowledge the support of both officers and the political Group Leaders whose input into the review process has been most helpful.

This report sets out our conclusions and recommendations on the Members' Allowance Scheme for the period 1st April 2019 to 31st March 2022 and we hope that you support them.

David Sparrow
Chair of the Independent Remuneration Panel

REPORT OF THE INDEPENDENT REMUNERATION PANEL DECEMBER 20185

Members of the Panel

Mr David Sparrow - Chair

Mr Graham Knott

Mrs Anne Slater

Mr Jeff Thompson

The Panel was assisted by Imelda Grady, Democracy Officer.

Members of the Panel are independent of the Council and its review and recommendations are taken on a completely impartial basis.

1. Role of the Independent Remuneration Panel (IRP)

The Local Authorities (Members' Allowances) (England) Regulations 2003 require the Council to have regard to a report of an Independent Remuneration Panel prior to setting or making changes to its members allowance scheme.

Although the Council must consider the Panel's findings, it is a matter for the Council to decide the scheme of members' allowances and whether to implement any of the Panel's recommendations.

2. Terms of Reference

The terms of reference are to recommend to Council:

- The level of basic allowance payable to all members
- Which members should receive a special responsibility allowance and at what level
- The amount payable for Dependants' Carers' for children or dependants while they carry out approved duties under the regulations and at what level
- The amount payable for Travelling and Subsistence Allowance when members carry out approved duties under the regulations and at what level
- Whether there should be a payment of any co-optee allowance and at what level.
- Whether there should be provision for an annual adjustment of allowances by a specified index and for how long (but for no more than 4 years)
- The provision for an amendment to the scheme to apply from the beginning of the financial year

- The provision for allowances to be repaid following suspension or cessation of being a member or due to non-entitlement
- Whether the allowances should be pensionable.
- The provision for members to forego allowances

3. **Principles**

The Panel works to the following principles

- That the members allowance scheme should be fair, easy to understand and straightforward to administer
- That whilst some element of a councillor's time should be voluntary this should be balanced against the need to ensure councillors do not suffer financial loss and that potential candidates are not discouraged from standing for election
- That the level of basic allowance should adequately reflect and compensate members for their commitment and time spent on their duties at council meetings, representing the council on outside bodies and on carrying out work in their Wards and in the Borough.
- That the level of special responsibility allowance should reflect additional responsibilities over and above the generally accepted duties of a councillor and should be a multiplier of the basic allowance

4. **Methodology and evidence considered**

This year the Panel has met on four occasions to conduct its review, during which time the Panel considered

- The current members' allowance scheme 2015-2019
- Benchmarking allowances in neighbouring authorities
- The views of the political Group Leaders on the current scheme of allowances and any future options
- Information on the Council's decision making structure and the responsibilities of councillors
- Information on the Council's budget position

5. **Findings**

- 1) The current allowance scheme has been in place since 2015 during which time allowances have increased incrementally each year to give a current level of basic allowance of £3500.
- 2) The Panel finds that whilst Burnley's basic allowance is in the lower quartile of the 12 Lancashire peer authorities, it is in a much more stable position than in 2015.
- 3) The Panel is grateful to the Leaders of the political groups for sharing their views on the current Members Allowance Scheme. The Panel was encouraged to hear that the three year scheme had been well received and a further three year scheme would be supported. They also found that whilst there was no dissatisfaction with the current level of allowances Group Leaders did not want the Scheme to become stagnant as in previous years or become out of kilter with neighbouring authorities.
- 4) The Panel was asked by the Group Leaders to review the allowances paid to opposition group leaders. The Panel finds that during the last three years the number of opposition groups on the Council has risen from two to four and at one time was five. This obviously impacts on the budget position. Our research has shown that there is a variation of how opposition group leaders are remunerated in other authorities. Many pay only one allowance to the largest opposition group leader, others graduate the level of allowance to the number of members within a group and others share a pot of money between group leaders. The Panel notes that currently in Burnley there is not one large opposition group, but four smaller groups of between two and five members. As there is little to differentiate between the group sizes and to keep things as simple as possible the Panel believes that there should be one pot of money shared equally amongst all opposition group leaders, no matter how many there are.
- 5) The Panel believes that a further three year scheme is preferred to a yearly scheme and that in order to keep allowances at an acceptable level there should be a index linked to NJC staff pay increases over the next three years. This index has been confirmed as 2% for 2019 and should be applied to the Members Allowance Scheme from 1st April 2019.
- 6) The Panel notes that in the past there has been a reluctance for Councillors to award themselves a pay rise but believes an annual uplift linked to the NJC staff pay awards is fair and reasonable approach to take. It will provide an increase at an appropriate rate and prevent the need for periodic 'catch-up' sums which are more difficult to agree on. The

Panel believes that not making these increases each year will only serve to place a burden on future administrations.

- 7) The Panel finds the levels of Special Responsibility Allowances to be broadly correct and that no changes to the multipliers are required.
- 8) The Panel finds that no changes are required to the dependent carers' allowance or travel and subsistence allowances.

6. Conclusions and recommendations

The Panel has concluded that the current Scheme is fair, easy to understand and administer but in order to prevent slippage incremental increases must be applied over the next three years.

The Panel recommends that the level of basic allowance be linked to the National Joint Council (Administrative, Professional, Technical and Clerical) pay structure for the next three years. The Panel is aware that Council will have discretion whether to apply this but strongly advises that it does so.

The Panel recommends that the multipliers used to set the Special Responsibility Allowances remain the same.

The Panel recommends that there should be a pot of money shared between all opposition group leader and that this pot should be set at the basic allowance level.

The Panel recommends that no changes be made to the dependent carers' allowance, travel and subsistence allowances.

The Panel recommends that no payments are made to co-optees.

The Panel recommends no changes be made to the payments made to the Independent Persons.

The Panel will meet in 2021 to consider the members allowance scheme for the 2022/23 financial year unless called upon by Council to review the allowances earlier.

Having considered detailed evidence and interviews throughout the course of the review, we recommend that the basic allowance and the special responsibility allowances should be as follows

THE INDEPENDENT REMUNERATION PANEL MEMBERS ALLOWANCE SCHEME 2019 - 2022

1. **Basic Allowance** -The level of basic allowance paid to all members be linked to the National Joint Council (Administrative, Professional, Technical and Clerical) pay structure for the next three years. The level of basic allowance from 1st April 2019 will be £3570.
2. **Special Responsibility Allowances** -That there be no change to the definition of roles that attract special responsibility allowances but that the multipliers be adjusted to that shown in brackets below
 - The Leader (basic allowance x 3.50)
 - The Deputy Leader (basic allowance x 1.00)
 - Executive portfolios (basic allowance x 1.25)
 - Chair of Scrutiny Committees (basic allowance x 1.25)
 - Chair of Development Control Committee (basic allowance x 0.80)
 - Chair of Licensing Committee (basic allowance x 0.50)
 - Chair of Audit and Standards Committee (basic allowance x 0.50)
 - Vice Chair of Development Control Committee (basic allowance x 0.40)
 - Opposition Group Leaders (shared basic allowance x 1.00)

The following table shows the levels of basic and special responsibility allowances for 2019/20 based on the agreed 2% increase in NJC pay structure. The Members Allowance Scheme for 2020/21 and 2021/22 will be subject the percentage increases in NJC staff pay structure.

	2019/20	Totals
Basic x 45	3,570.00	160,650.00
Leader x 1	12,495.00	12,495.00
Deputy Leader x1	3,570.00	3,570.00
Executive Members x 5	4,462.50	22,312.50
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Opposition Group Leaders x 4	892.50	3,570.00

Independent Persons (Standards)x2	500.00	1,000
Total		217,342

3. **Dependent Carers and Childcare Allowances** - That the dependent carers' allowance and childcare allowance be paid at the current rate of the adult minimum wage and be paid under the following criteria.

Limitations

Costs necessarily incurred for:

- A child or children under the age of 16
- An elderly relative requiring full-time care
- A relative with a physical disability requiring full-time care
- A relative with learning disabilities requiring full-time care

Safeguards

The person for whom care has been arranged must live in the same household as the member

The care in respect of which the allowance is claimed must not be provided by a person living in the member's household, or by another parent of a child in the household;

Disabled dependents are excluded where the member is already in receipt of a carer's allowance;

The member must notify the Council of the identity of the carer in respect of whose costs the allowance is claimed and the cared for;

Child(ren) or dependent must be registered with the Council in advance of any claim being made .

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The following travel and subsistence allowances shall be paid for attendance at approved events.

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Other travel allowances

That the payment of travelling allowances by taxi cab be provided for Disabled and Vulnerable Members not to exceed; a) in cases of urgency or where no public transport was reasonably available, the amount of the actual fare and any reasonable

gratuity paid; and b) in any other case the amount of travel by appropriate public transport.

Subsistence allowance be the same as that paid to officers, currently this is

Meal	Maximum Allowance	Criteria
Breakfast	£7.44	before 8.00am
Lunch	£10.27	between 12 noon – 2pm
Tea	£4.04	after 6.30pm
Evening Meal	£12.70	after 8.30pm

If a member is away from their home on official Council business for a continuous period of 24 hours or more, and as a result is required by the Council to stay in accommodation overnight, they will be reimbursed with the actual costs incurred.

5. **Co-optees Allowance** - That no additional co-optees allowances be paid
6. **Annual Adjustment of Allowances** - That there be an annual adjustment of allowances in line with the percentage increase in employee's pay under the National Joint Council (Administrative, Professional, Technical and Clerical) Pay Award
7. **Backdating** - That there be no backdating of allowances.
8. **Repayment/suspension of allowances** - That there be repayment of allowances should a councillor be suspended, cease to be a councillor due to a relevant conviction or non-attendance, or resigns.
9. **Pensions** - That no member allowances be classified as pensionable under the Regulations.
10. **Foregoing allowances** – Any person may forego all or part of any allowances to which they are entitled. To do this they must give notice in writing to the proper officer of the Council.



EXECUTIVE

BURNLEY TOWN HALL

Monday, 11th February, 2019 at 6.30 pm

85. Strategic Plan 2019

Purpose.

To seek Executive endorsement of the updated Strategic Plan (appendix 1).

Reason For Decision.

The Strategic Plan sets out a clear vision for the future at a time of challenging budget decisions: one that is evidence based, shared by all Units of the Council, and is in tune with the aspirations of local people.

Decision.

That Full Council be recommended to approve the updated Strategic Plan 2019.

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Strategic Plan 2019

REPORT TO EXECUTIVE



DATE	11/02/2019
PORTFOLIO	Leader
REPORT AUTHOR	Rob Dobson
TEL NO	3115
EMAIL	rdobson@burnley.gov.uk

PURPOSE

1. To seek Executive endorsement of the updated Strategic Plan (appendix 1).

RECOMMENDATION

2. That the Executive recommend the updated Strategic Plan to Full Council.

REASONS FOR RECOMMENDATION

3. The Strategic Plan sets out a clear vision for the future at a time of challenging budget decisions: one that is evidence based, shared by all Units of the Council, and is in tune with the aspirations of local people.

SUMMARY OF KEY POINTS

4. The Strategic Plan is updated annually. It sets out the Council's strategic priorities during the next three years.
5. The Strategic Plan has four themes: *People*, *Places*, *Prosperity* and *Performance*. The *People* theme deals with client centred services that support residents to achieve their full potential by, for example, supporting efforts to improve skills in the borough. The *Places* theme sets out our strategy in relation to the natural and built environment and community safety. i.e., maintaining a clean, green and safe borough. The *Prosperity* theme sets out the Council's economic development priorities and the *Performance* theme is about internal processes and improvement activity, i.e. the Council's organisational development strategy.
6. Executive members will report progress against the strategic plan actions at future Full Council meetings.
7. The Strategic Plan covers the medium term: all of the commitments will be delivered over the next three years. Heads of Service use the Strategic Plan to develop their own unit plans. These set out in more detail the tasks associated with achieving the Council's objectives over the course of the next year.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

8. As set out in the Council's draft budget.

POLICY IMPLICATIONS

9. As set out in the strategic plan and the Council's strategic risk register.

DETAILS OF CONSULTATION

10. Scrutiny Committee's response to the draft strategic plan will be detailed in the Minutes of the meeting on 7th February 2019.

11. A regular residents' survey is conducted to help determine key priorities.

BACKGROUND PAPERS

12. The current strategic plan: <http://www.burnley.gov.uk/about-council/our-strategies-and-policies>

FURTHER INFORMATION

PLEASE CONTACT:

Mick Cartledge, CEO.

ALSO:



Burnley.gov.uk

Burnley Borough Council's Strategic Plan

Contents

BURNLEY COUNCIL'S VISION 10 YEAR VISION FOR THE BOROUGH:	3
BURNLEY COUNCIL: ADAPTING TO CHANGE	4
BURNLEY COUNCIL SERVICES	6
STRATEGIC PLAN 2018- WHAT DID WE ACHIEVE?	7
WHAT DO WE WANT TO ACHIEVE DURING 2019 AND BEYOND?	8
PEOPLE - CREATING FLOURISHING, HEALTHY AND CONFIDENT COMMUNITIES	9
PLACES: MAKING THE BOROUGH A PLACE OF CHOICE	10
PROSPERITY – PROMOTING TRANSFORMATIONAL ECONOMIC CHANGE FOR BURNLEY	11
PERFORMANCE- ENSURING A CONTINUOUS FOCUS ON IMPROVEMENT IN ALL ASPECTS OF THE COUNCIL'S PERFORMANCE	12
YEAR END CORPORATE PERFORMANCE SCORECARD 2017/18	13

Burnley Council's vision 10 year vision for the borough:

The Council wants to make the borough a place of choice. It will be a place where businesses want to invest, because of its skilled workforce and its competitive, modern economy. It will be a place where people want to live because of its clean and safe neighbourhoods, its reputation as a centre of educational excellence, and its beautiful parks and wild countryside.

Our values:

One Burnley – Leading the Way
One Council – Working Together
One Team – Ambitious for Burnley

- T -Together
- E -Enterprising
- A - Ambitious
- M -Meeting Customer Need

Burnley Council: adapting to change

Burnley Council has always adapted to meet the changing needs of the borough and to deliver the best possible service within the budget available.

The Council services will continue change in the years ahead.

The budget challenge is immense. In 2018, Council's Medium-Term Financial Strategy, assumed the need to save a total of £3.2 million over the next three financial years.

This adds to the pressure on the Council to make savings and find ways of raising income in order to protect priority services that help make the Borough a cleaner, greener, safer and more prosperous place to live.

In recent years, the Council has successfully lobbied for additional investment in Burnley and will continue to press the case for the borough at the highest levels of Government. However, if the Council is to continue delivering quality services that meet the needs of the borough, then further change is inevitable if the Council is to remain financially viable. Lower priority services may have to be reduced or stopped, and charges may increase for discretionary services.

Our strategic plan ensures that we do not take a salami-slicing approach to making efficiencies. With a clear vision for the borough's future, the Council will stay focussed on what really matters and will seek innovative ways of resourcing those priorities.

Examples of how we will achieve value for tax payers include rationalisation of our estate and generating extra revenue through new homes being built across the borough.

We are a confident, positive organisation, and together with our partners, we have strong track record of delivering positive outcomes for the people of Burnley and Padiham.

Our guiding principles

In leading the transformation of the Council, the Executive and Management Team have worked to the following principles:

- Burnley Council is pragmatic. The Council is not ideologically committed to a specific model of local government organisation. This means that the Council is open minded about how to achieve savings. It will pursue joint working arrangements, or seek to outsource services to the private sector, where there is a clear business case.
- A business case for change must take into account the impact on the local economy, as well as the cost and benefits in terms of service quality and efficiency gains. It will implement changes following appropriate consultation with residents and employees.

Who is this document for?

The strategy is prepared to help Elected Members and officers execute the Council's business in a well-planned and effective manner. While it is primarily for an internal audience, it is also a public document. Local residents and businesses can use this document to stay informed about the Council's plans for the Borough. The Council's Executive members report progress against the strategic commitments at Full Council meetings.

What is the purpose of the Strategic Plan?

1. The Strategic Plan describes how the Council will make its vision for the Borough reality.
2. The Strategic Plan unifies the Council's service units, and is used to articulate common purpose.
3. Strategic analysis helps anticipate and prepare for change. The strategic planning process helps the Council audit internal capacity, informing decisions about resource allocation (staff, budgets, technology, equipment, and premises).
4. Finally, the Strategic Plan encourages dialogue amongst different service units in the Council. This in turn should lead to more joined up working as council officers identify points of connection at the level of outcome, output, process or input.

The strategic plan does not cover every service delivered by the Council. The emphasis is on planning for major change and challenges, and defining priority actions linked to corporate objectives. But an overriding concern of the Council is to protect core services. Though budget pressures could mean changes to how we provide services, the Council will continue to provide good quality frontline services that are a priority for local residents. An overview of these services is set out below.

Burnley Council Services

- We collect rubbish, recyclable or non-recyclable, from every household every week. On the next working day following a general refuse collection, every residential street is swept by manual litter pickers. Following a recycling collection, the street receives a mechanical sweep.
- We own and manage the historic Towneley Hall that attracts tens of thousands of visitors every year.
- We manage over 550 hectares of parks and green spaces including five Green Flag Parks.
- In partnership with Burnley Leisure, we fund three quality leisure facilities (St Peter's, Padiham and the Prairie), and the Mechanics theatre which attracts top names in comedy, music and the arts.
- We work with businesses to support job creation, business growth, and inward investment.
- We prosecute those who commit environmental crime in the borough.
- We support victims of antisocial behaviour and work with the police to take action against anti-social behaviour.
- We deal with around 3,000 calls and 500 visitors every week at our contact centre.
- We award benefit to around 10,500 households a year and assess over 66,000 changes in circumstances.
- We provide a quality advice and enforcement service for vulnerable households and individuals and work to tackle homelessness.
- We provide public protection services: we conduct food safety checks on food establishments; we carry out health and safety inspections of warehouses and retail premises; we license pubs and clubs and taxis; we investigate environmental pollution complaints about noise, smoke and private water supplies; and we provide CCTV monitoring.
- We work with the police and community organisations to help foster stronger community relations.
- We process around 500 planning applications per annum and aim to ensure that new development in Burnley is built to high design standard. We also protect the historical heritage of the town through the management of conservation areas and listed building protection, and take enforcement action to protect the quality of life of Burnley residents against unauthorised building activity.
- We conduct local land searches for buyers of land or property.
- We plan and deliver major regeneration projects, in partnership with the private sector.
- We manage car parks so parking in Burnley is easy.
- We ensure that taxpayers' money is spent prudently and that the Council allocates resources within its means by providing a professional treasury management and audit service.
- We make sure local citizens have a democratic voice, through proper and effective management of elections.

Strategic Plan 2018- what did we achieve?

Places

- The regeneration of neighbourhoods continued apace. With help from the Council, new homes were built by Calico on the Perseverance Mill site in Padiham. Calico also opened their gateway housing project, which assists our most vulnerable residents through support and training helping them to access sustainable housing, education and employment. Work got underway to build 250 homes on the former school site off Kiddrow Lane.
- We completed the restoration of Thompson Park.
- By the end of Q3, we had brought 32 prosecutions for environmental crimes such as flytipping
- Since the start of April 2018, the housing enforcement team has helped to resolve over 200 new disrepair complaints from private rented sector tenants.

Prosperity

- The Business Support Team promoted inward investment, managing c. 60 live property enquiries for companies looking to relocate into the Borough or expand within (update in Q4)
- In the year up to September 2018, 39 jobs were created through the Business Growth Programme.
- We adopted a new Local Plan, which will shape Burnley's growth over the next decade.
- We have delivered new highways infrastructure and public realm improvements in partnership with LCC
- We have secured £4.6m of external funding to deliver key projects including flood defence works in Padiham
- We have led the development of a new Town Centre and Weavers Triangle Masterplan and procured a development partner and put in place funding to deliver a major town centre leisure led retail development: "Pioneer Place."
- We have delivered further phases of On the Banks, with new apartments and work has started on a student accommodation scheme.

People

- Our partner Burnley Leisure, with support from the Council, upgraded the gym at St. Peter's Centre.
- Between April and November 2018, the Council had: awarded disabled facilities grants to 149 residents; provided 18 Emergency Works grants to eliminate serious disrepair in residential properties, and made available the Heating Rebate Scheme to tackle fuel poverty with 86 grants awarded for energy efficiency improvements.
- The Council partnered with the Burnley FC in the Community, the local NHS, and schools to increase pupil access to mental health support in schools.

Performance

- The Council approved budget savings of £0.88m to assist in balancing the budgets in 2019/20, 2019/21 and 2020/21. Building on savings approved in 2017 for future years, this multi-year approach shows the Council's commitment to creating a sustainable future and is intended to develop a long-term financial plan for the Council.
- In October the Council received confirmation that it had successfully retained its Gold Investors in People accreditation and IiP Health and Wellbeing Award
- More customers transacted with the Council online in 2018.

What do we want to achieve during 2019 and beyond?

Much of what the Council has or plans to achieve, involves working in partnership. The [Sustainable Community Strategy](#) sets out the vision for the Borough that is shared by statutory agencies, local businesses and the third sector. It includes a list of long term commitments which will help us achieve a cleaner, greener, safer and more prosperous Borough in the future.

The Community Strategy describes the Borough's challenges, its assets and opportunities. The following section of this document sets out the Council's role in meeting those challenges, exploiting the assets and the opportunities that exist in the Borough. It is structured around the themes of **People, Places, Prosperity**, in line with the Sustainable Community Strategy. A fourth theme, **Performance**, sets out the Council's organisational development goals.

This structure helps:

- breakdown departmental silos, so that Service Units are encouraged to think collaboratively about how to achieve corporate objectives;
- ensure that the Council focuses on a balanced range of priorities, so that interventions are mutually supportive. For example, the Council wants to encourage business growth so that local people have access to good, well-paid jobs (an objective under the *prosperity* theme). But to achieve this we must make sure that educational attainment improves (an objective under the *people* theme) and that, also, the environment for doing business is good thanks to clean streets and safe neighbourhoods (and action under the *places* theme);
- design services around the needs of citizens and businesses that we serve, rather than around the structure of the Council.

People - creating flourishing, healthy and confident communities

What are the challenges and opportunities?

Increasing educational attainment and skills is the top priority for the borough. The Council will continue to work with partners in the education sector to help maintain the focus on this.

Health inequality is a significant factor in Burnley. For example, alcohol related hospital admissions, the number of incapacity benefit claimants for poor mental health, and deaths from smoking are all higher than the national average. Levels of worklessness due to ill health are also high. As a district council, we are well positioned to influence and deliver many measures that can help prevent ill health, both through our key functions and our enabling role. Our quality parks and green spaces are a “Natural Health Service,” and our housing services, environmental health function, our role in improving community safety, and in particular our partnership with Burnley Leisure, are all key. Perhaps our biggest long-term contribution to preventing ill health is our commitment to help grow the local economy. Poverty is a significant cause of poor health, so we want to help more local people into secure, decently paid jobs, as described in the prosperity theme of this strategy.

What do we commit to?	Lead
PE1- We will work with partners to make the borough a place of aspiration, including supporting efforts to increase education attainment and skills development, and improve residents' health.	Chief Executive Leader
PE2- We will continue to develop the leisure and cultural offer of Burnley in partnership with Burnley Leisure.	Chief Operating Officer Executive Member for Housing and Leisure

Places: making the Borough a place of choice

What are the challenges and opportunities?

Resident feedback tells us that maintaining the cleanliness of the borough matters to our residents.

Feedback from residents also shows that reducing crime and antisocial behaviour is another priority.

Compared with the Lancashire average, a higher proportionate of residents live in private rented accommodation. Unfortunately, not all of this accommodation is managed to a good standard, with some neighbourhoods blighted by incidents of antisocial behaviour, long term empty properties or properties that are unfit for habitation.

We are proud to maintain a significantly higher than average proportion of greenspace per head of population. Evidence suggests that access to parks and nature has major health benefits, as well as making the living environment attractive. Our parks are therefore a key asset in making the borough a good place to live and work. In addition, the Council has an obligation as a community leader to play a part in reducing harmful carbon emissions and responding to climate change.

The borough also has a significant number of cultural and sporting assets; the Mechanics, Towneley Hall, modern leisure centres and well attended community sport and other events.

What do we commit to?	Lead
PL1- We will implement a range of initiatives to maintain a clean, safe, attractive and environmentally friendly borough.	Head of Streetscene Executive Member for Community and Environmental Services
PL2- We will improve the management and condition of private rented accommodation.	Head of Housing and Development Control Executive Member for Housing and Leisure
PL3- We will work with partners to improve quality and choice in the borough's housing stock.	Chief Operating Officer Executive Member for Housing and Leisure
PL4- We will implement our 2015-25 Green Space Strategy.	Head of Green Spaces and Amenities Executive Member for Housing and Leisure

Prosperity – promoting transformational economic change for Burnley

What are the challenges and opportunities?

The Burnley economy has shown strong growth over the last decade. Manufacturing businesses still make up a significant part of the local economy, with key strengths in aerospace and automotive. In response to global challenges the sector has adapted new technologies, delivering higher value products and processes, which in turn bring wealth to the local area. At the same time, the economy has diversified, with growth in the digi-tech and logistics and distribution sectors.

With a retail catchment area of 300,000 people, Burnley is a major retail and service centre in Pennine Lancashire. The town centre has benefitted from significant investment in public realm, attracting new occupiers including Primark. The council, in partnership with other key organisations, has developed a Town Centre and Canalside Masterplan setting out opportunities to diversify the leisure offer, introduce town centre living. The Council will progress key projects including “Pioneer Place”, to deliver the masterplan.

By promoting Burnley as an investment opportunity, and by improving travel connections and kick starting development to attract investors, the Council is dedicated to getting the most out of Burnley’s key assets: its rural setting, its proximity to the regional growth hub of Manchester, the economic development potential of Burnley’s land and its education and skills infrastructure. The new Local Plan will act as the key supporting framework for encouraging employment and housing investment, with the aim of maintaining the recent trend of private sector job growth and growing the borough’s skilled workforce.

The Council is ambitious for Burnley; the devolution of powers from central government is an opportunity for the borough. To ensure that Burnley punches above its weight and gets a fair deal, the Council’s Executive and Management Team will make sure that the business case for Burnley is heard at sub-regional, regional and national decision making levels.

What do we commit to?	Lead
PR1- We will contribute to the strategic direction of local, sub-regional and regional partnerships, and will position the borough for economic development investment.	Chief Executive Council Leader
PR2- We will proactively support the borough’s businesses to innovate and expand, and make the borough a natural choice for business relocation.	Strategic Head of Economy and Growth Executive Member for Economy and Growth
PR3- We will deliver the Town Centre and Canalside Masterplan, and strategic projects in Padiham Town Centre.	Strategic Head of Economy and Growth Executive Member for Economy and Growth
PR4- We will implement the Local Plan, delivering new housing, employment sites, and infrastructure.	Strategic Head of Economy and Growth Executive Member for Economy and Growth
PR5- We will support UCLan’s expansion, transforming Burnley into a University Town	Chief Executive Council Leader

Performance- ensuring a continuous focus on improvement in all aspects of the Council's performance

The Council always has a duty to ensure that tax payers get value for money, and the current era of austerity means that services cannot continue to be delivered in the same way as in the past. New service delivery models will be required to achieve efficiencies. If services have to be cut the Council will be clear about the process that has been followed in reaching these decisions.

In September 2018, the Council was told it “should be proud of its achievements” following a review of its services and plans for the borough by an independent peer review team. The review team first inspected the council in 2016, so was returning to review what progress had been made. In its latest assessment, the review team said the council had “built on the positive work it had identified two years ago.” The council will learn from best practice and will continue to adapt to the needs of its customers.

What do we commit to?	Lead
PF1- We will continue the successful partnership with Liberata.	Chief Operating Officer Executive Member for Resources and Performance Management
PF2- We will adopt a Medium Term Financial Strategy that will put the Council on a sustainable financial footing. This strategy will set the framework for preparing annual budgets, ensuring the annual budget strategy is set within the context of the longer-term outlook.	Head of Finance and Property Management Executive Member for Resources and Performance Management
PF3- We will develop our digital strategy, so that more residents transact with us online and we will continue to deliver services more efficiently.	Chief Operating Officer Executive Member for Community and Environmental Services
PF4- We will deliver our Organisational Development strategy, ensuring we plan for the structures and capabilities that the organisation needs, and empowering our workforce to deliver the objectives of the Strategic Plan.	Head of People and Development Executive Member for Resources and Performance Management

Year End Corporate Performance Scorecard 2017/18

Measure	Target	Result	On target
<i>Outcomes</i>			
% of residents satisfied with the Council overall	48%	45%	
% users satisfied with parks and open spaces (A)	70%	84%	
% satisfied with leisure facilities	55%	60%	
% satisfied with general household waste collection	80%	74%	
% satisfied with litter free public land	47%	49%	
% stating that ASB is a problem in the local area	28%	32%	
Private sector investment levered through inward investment service and development projects	£10m year end	£51.2m	
<i>Internal processes</i>			
Average number of days to process new claims and change of circumstances (benefits processing)	9	6	
Telephone calls answered within target time (%)	80%	78%	
No. of businesses relocation assists	10	13	
<i>Organisational development</i>			
Average number of days sickness absence per employee	6	6	
<i>Finance</i>			
Forecast revenue budget outturn (£)	£14,596,000	£14,299,000	

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EXECUTIVE

BURNLEY TOWN HALL

Monday, 11th February, 2019 at 6.30 pm

84. Annual Pay Policy Statement 2019/20

Purpose.

To seek approval for the Council's Pay Policy Statement which is required to be published prior to the end of March each year.

Reason For Decision.

The Localism Act 2011 – [Chapter 8 - Pay Accountability], requires all local authorities to set out its position on a range of issues relating to the remuneration of its employees. The Pay Policy Statement must be approved by the Council in open forum, by the end of March each year and then be published on its website.

Decision.

That Full Council be recommended to;

- (1) Approve the attached Pay Policy Statement for 2019/20;**
- (2) Approve the amendments to the Council's National Joint Council (NJC) grading structure from April 2019;**
- (3) Approve the minor updates to the Statement of Pensions Policy: and**
- (4) Note the Council's Gender Pay Gap report which is at Appendix H of the Pay Policy Statement**

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REPORT TO EXECUTIVE



DATE	11 February 2019
PORTFOLIO	Resources & Performance Management
REPORT AUTHOR	Head of People and Development
TEL NO	01282 425011 ext. 7120
EMAIL	hbrennan@burnley.gov.uk

Pay Policy Statement 2019

PURPOSE

1. To seek approval for the Council’s Pay Policy Statement which is required to be published prior to the end of March each year.

RECOMMENDATION

2. That Full Council
 - approves the attached Pay Policy Statement for 2019/20;
 - approves the amendments to the Council’s National Joint Council (NJC) grading structure from April 2019;
 - approves the minor updates to the Statement of Pensions Policy: and
 - notes the Council’s Gender Pay Gap report which is at Appendix H of the Pay Policy Statement

REASONS FOR RECOMMENDATION

3. The Localism Act 2011 – [Chapter 8 - Pay Accountability], requires all local authorities to set out its position on a range of issues relating to the remuneration of its employees. The Pay Policy Statement must be approved by the Council in open forum, by the end of March each year and then be published on its website.

SUMMARY OF KEY POINTS

4. The Pay Policy Statement sets out the existing approach to the remuneration of all posts within the Council. In particular it specifies certain mandatory requirements that must be detailed within the Statement. This refers to:
 - the pay structure of the Council and how it is set;
 - Senior Management Remuneration, providing details of the pay grade for posts

defined as Chief Officer and the accompanying allowances;

- the recruitment arrangements for a Chief Officer;
- the relationship between the salaries of Chief Officers and other employees;
- details of the lowest paid posts within the Council;
- employer's Pension Contribution details;
- termination of employment payments.

5. The Localism Act includes five key measures that underpin the Government's approach to decentralisation, these being; Community rights, Neighbourhood Planning, Housing, General Power of competence and empowering cities and other local areas.
6. The purpose of the Pay Policy Statement (PPS) is to ensure there is transparency on how pay and remuneration is set by the Council, for all of its employees and particularly for its most senior level posts. The Council already publishes pay and remuneration details of its senior managers on its website under the DCLG's requirements of the Transparency Code which specifies what open data local authorities must publish. This will be updated at the start of the new municipal year.
7. The Statement is reviewed annually and approved by Full Council prior to the end of March each year. The National Employers and trade unions previously agreed a two year pay deal covering the period 1 April 2018 to 31 March 2020.

Year 2 of the deal comes into effect in April 2019 providing a minimum annual pay increase of 2.0% for pay points at or above current scp29, with the pay points below this receiving bottom loaded increases.

The 2019 deal also introduces a new, renumbered national pay spine which has been proposed in order to absorb the impact of the National Living Wage. . The current national pay spine is numbered 6 – 49. The new national pay spine includes some pairing of the current pay points and introduces 5 new points and is numbered 1 – 43. The Council's pay spine currently starts at spinal column point scp11 (new scp3) to ensure our minimum salary is at or above the Foundation Living Wage which will continue to be the case.

8. From April 2019 as agreed with the trade unions it is proposed the Council's NJC grading structure will be as follows:
 - The Council will continue to apply the Foundation Living Wage as its lowest pay point for employees or scp3, whichever is the higher
 - Grade 2 will become scp3 on the new pay spine (formerly scp11)
 - Grade 3 will become a single pay point grade scp4 - merging the current scp12 and scp13
 - Grade 4 will have 2 pay points scp5 (merging current scp14 and scp15) and scp6 (merging scp16 and 17)
 - Grades 5, 6 and 7 will continue to have 4 pay points using the new pay point numbers. The new national pay points i.e. points 10,13, 16, 18 and 21 will not be applied (fallowed) in the Council's grading structure but may be reintroduced if there are future negotiated changes to our grading structure. So for example Grade 5 will be made up of new pay points 7,8,9 and 11.

- Grades 8 – 14 are unaffected other than the pay points will be renumbered

9. Due to the pay award there has been some improvement in the pay ratio of the lowest paid to the Chief Executive 6.3 (6.6 in 2018/19) and the ratio of the lowest paid to the Chief Officer 3.5 (3.6 in 2018/19).
10. The Council considers it is important that a balance is struck to ensure it rewards managers appropriately for their responsibilities and to ensure it retains and attracts talented senior officers. From April 2019 the Council’s head of service structure will be readjusted from 7.6 to 7 FTE posts. The Council had 14 senior management posts in April 2015. All head of service posts were reviewed and job evaluated in 2017/18 and salaries benchmarked by external independent advisers, effective from April 2018. The agreed salaries were based on the median+7.5% of the most relevant median salary, in terms of local authority population and type. This is a requirement under the Chief Officer terms and conditions of employment.

Band	April 2017	April 2018
Band 2	£59,125	£61,515
Band 3	£54,169	£56,359

11. The Government has previously proposed introducing a cap on the total value of exit payments in the public sector of £95,000 enacted through the Enterprise Bill 2015-16. Regulations regarding the implementation for this cap are still awaited. Proposed regulations concerning the recovery of exit payments made to employees in the public sector who return to the same job within a period of 12 months are also still awaited. There is no indication currently of when these regulations will be implemented. Council policies and procedures will be updated accordingly once full details are available.
12. The updated Statement complies with the guidance issued by the Department of Communities and Local Government in Spring 2013.
13. There have been minor update to the Statement of Pensions policy to clarify what is meant by a week’s pay for redundancy purposes (para 6), to confirm the timeframe for the auto enrolment process (para 16), updates to web addresses and confirmation of delegated decision processes.
14. Last year, in addition to the Pay Policy Statement the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 required public sector organisations with 250 or more employees to publish information to demonstrate how large the pay gap is between their male and female employees. The data is calculated according to the requirements of the Equality Act 2010 and is based on the Council’s workforce on 31st March each year.

At 31st March 2018 our workforce comprised of 56% male and 44% female employees. For the purposes of reporting the gender pay gap, all permanent, temporary and casual employees are included in the total workforce figure of 238. The Council has decided to continue to report on the Gender Pay Gap although its workforce is now less than 250.

The gender pay gap is different to equal pay. Equal pay relates to men and women receiving equal pay for equal work. Not meeting this requirement is unlawful. The Council operates job evaluation schemes to ensure that work of equal value is paid at the same rate.

The gender pay gap is a measure of any disparity in pay between the average earnings of males and females. The Council's mean pay gap is 4.7% and the median pay gap is 5.47%. At 31st March 2017 the figures were mean 2.3% and median 7.9%. Both figures are below the national average, which are currently 17.1% and 17.9%.

Latest figures suggest that the median gender pay gap across the public sector is 19% and the figure across all industries in Lancashire is 20.8% with Burnley at 7.5%. The Council compares favourably with these statistics.

The Council will continue to apply its flexible working policies, anonymised recruitment processes, talent management and promote other learning and development programmes to ensure all employees have equal access for career development.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

15. The pay and remuneration detailed within the Pay Policy Statement are all within the approved budget of the Council.

POLICY IMPLICATIONS

16. The policies and appendices referred to in the Pay Policy Statement have previously been approved through Council procedures and in consultation with trade unions and are available on the Council's website. The job evaluation schemes used to establish the grades of posts have been agreed nationally with the trade unions and meet equality and human rights standards.

DETAILS OF CONSULTATION

17. Management has consulted with the trade unions on the changes to the NJC grading structure.

BACKGROUND PAPERS

18. None

FURTHER INFORMATION:

PLEASE CONTACT:

Heather Brennan x 7120

ALSO:



**CORPORATE POLICY AND GUIDANCE
PEOPLE AND DEVELOPMENT**

Pay Policy Statement April 2019 - March 2020

CONTENTS

<u>SECTION</u>	<u>Page</u>
Purpose of the Policy	3
Background	3
Legislation relevant to Pay and Remuneration	3
Pay Structure	4
Definitions	5
Chief Executive Remuneration	5
Chief Operating Officer Remuneration	6
Head of Service Remuneration	6
Recruitment of Chief Executive and Chief Officers	7
Salary upon Appointment	7
Performance-related Pay	7
Relationship between Chief Executive/Chief Officer Pay and other Employees	7
Lowest Paid Employees	7
Termination Payments	8
Employer Pension Contribution	8
Employee Pension Contribution	9
Re-employment / Re-engagement of former Chief Officers	9
Gender Pay Gap	9
Publication of the Policy	9
Review of Pay Policy	9
Appendices	10

BURNLEY BOROUGH COUNCIL

PAY POLICY STATEMENT

Purpose of the Policy

1. Under section 112 of the Local Government Act 1972, the Council has the “*power to appoint officers on such reasonable terms and conditions as the authority thinks fit*”. The purpose of the Pay Policy Statement is to:
 - maintain a transparent approach to the setting of the pay of the Council’s employees;
 - comply with the requirements of the Localism Act 2011, Section 38- 43 Pay Accountability

The policy details:

- the methods by which salaries of all employees are determined;
- the details of the remuneration of its senior employees, i.e. Chief Officers;
- the relationship between the salary of its Chief Officers and other employees.

Background

2. The Localism Act 2011 – (Chapter 8 - Pay Accountability) requires all local authorities to set out its position on a range of issues relating to the remuneration of its employees.
3. This Statement will reflect where appropriate, relevant aspects of other already existing personnel policies, such as pay policies, which detail the Council’s agreements on pay for those employees both on the National Joint Council (NJC) and the Joint National Council (JNC) terms and conditions and whose jobs have been evaluated using national agreed job evaluation schemes. (Appendix B and C)
4. The Statement must be approved by Full Council, by the end of March each year and then be published on the Council’s website – www.burnley.gov.uk

Legislation relevant to Pay and Remuneration

5. In determining the pay and remuneration of its employees the Council will comply with all relevant employment legislation. This includes the Equality Act 2010 and the Part-time Regulations 2008. The Council will ensure there is no pay discrimination within its pay structures and that pay differentials can be quantified through the application of its job evaluation schemes. Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 the Council will also publish information to demonstrate how large the pay gap is between male and female employees.
6. The Council operates the NJC Scheme for all posts not defined as a Chief Officer. In June 2017 the salary of the post of Chief Executive was re-assessed by utilising the external expertise of the North West Employers’ Organisation, which includes comparative benchmarking data from other local authorities and was unchanged. The posts of Chief Operating Officer and Head of Service have been evaluated using the Local Government Association’s Senior Manager Job Evaluation Scheme.

Pay Structure

7. The Council adopts the national pay bargaining arrangements in respect of employees' remuneration and complies with the nationally negotiated spinal column points for all posts, with the exception being those senior level posts referred to within the Statement. This includes any revisions to the national pay spine, for example through agreed annual pay increases negotiated through collective bargaining between the national Employers and Trade Unions.
8. The current salary grades that the Council applies for all other posts are at Appendix A. This will be revised and pay points renumbered in April 2019 in line with changes negotiated nationally (Appendix A1). This has also resulted in changes to the number of pay points in Grades 2, 3 and 4. The Council agreed in April 2013 that its lowest pay point would be either the Foundation Living Wage (FLW) or the lowest pay point on the Council's pay scale (scp3), whichever is the higher and this will continue to be the case.
9. The pay and grading structure for the majority of posts, including other pay related allowances, was established as part of the NJC Pay Policy approved by Council in 2006, further revised in 2010, in 2013, 2016 and from April 2019. This Policy was developed as part of the Council's approach to the job evaluation of posts and the harmonisation of key terms and conditions of employment. Since 2006 all newly created posts and post variations are subject to evaluation against the nationally agreed Job Evaluation Scheme. The current policy is at Appendix B.
10. The pay and grading structure for Chief Officers, other than the Chief Executive, (approved by Full Council from April 2012), is made up of three bands with a single pay point in each band. In establishing the salary structure for Chief Officers, the Council applied the nationally agreed Senior Manager Job Evaluation Scheme and referred to the most relevant median salary, in terms of local authority population and type, as required under the Chief Officer terms and conditions of employment. It sought and received independent external advice on the relevant pay data to be used from the Local Government Association.
11. In December 2016 Council approved a revision to Band 1 of the Chief Officer Pay Policy following a management restructure resulting in the deletion of two Director posts, replaced with one Chief Operating Officer. The revised salary was agreed following an external job evaluation and receipt of median benchmark pay data.
12. Following the management restructure detailed in para 10 during 2017 duties and responsibilities of head of service posts were updated and job evaluations were externally and independently reviewed and salaries benchmarked. As a result the median salary levels in Band 2 and 3 were reset.
13. On occasion, it may be necessary to take account of external pay levels in the labour market in order to attract and retain employees with particular skills, knowledge and experience. On such occasions the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate. Any supplement that would take a salary above £100,000 would require the approval of Full Council.

Definitions

14. The Localism Act 2011 refers to the position of Chief Officer defined as: the Head of Paid Service; Statutory Chief Officers; non-statutory Chief Officer posts and their direct reports (Deputy Chief Officers). It should be noted that this definition is very broad, and takes account of Metropolitan and County Councils as well as District Councils
15. It is considered that the posts the term 'Chief Officer' applies to at Burnley Council, in relation to the Localism Act 2011 are; Chief Executive, Chief Operating Officer (1 post) and Head of Service (8 posts).
16. Remuneration is defined as the pay and rewards an individual receives.

Chief Executive Remuneration

17. The appointment and employment terms relating to the Chief Executive were agreed at a meeting of Full Council on 6th September 2017. An independent review of the role and the remuneration package was undertaken prior to the advertisement for this post. This review involved obtaining external guidance and advice from North West Employers' Organisation. As a result of this review the salary for the post was unchanged.
18. The post of Chief Executive is paid on a single pay point of £109,254.00 (from April 2018). Additional allowances can be paid in relation to the role of Returning Officer and Electoral Registration fees (see para 16). Fees were paid in the financial year 2018/19.
19. Returning Officer and Electoral Registration Officer fees for various elections and referendums

In accordance with the national agreement the Chief Executive is entitled to receive and retain the personal fees arising from performing the duties of Returning Officer, Acting Returning Officer, Deputy Returning Officer or Deputy Acting Return Officer and similar positions which he or she performs subject to the payment of pension contributions thereon, where appropriate.

For local elections the fees and charges have been set in consultation with other authorities in Lancashire.

Fees for Returning Officer and other electoral duties are identified and paid separately for local government elections, elections to the UK Parliament and EU Parliament and other electoral processes such as referenda. As these relate to performance and delivery of specific elections duties as and when they arise, they are distinct from the process for the determination of pay for Chief Officers.

The other terms and conditions of service relating to this post are in accordance with the Joint Negotiating Committee for Chief Executives of Local Authorities.

Any other allowances relating to the post are the same as for all other posts within the Council, for example, reimbursement of fuel expenditure from business travel.

Chief Operating Officer Remuneration

20. There is one post of Chief Operating Officer:
21. The post of Chief Operating Officer is paid on a single pay point of £86,580 (from April 2018) at Band 1 of the Chief Officer grading structure, as determined by the Senior Manager Job Evaluation Scheme.
22. Additional allowances may arise from personal fees for performing the duties of Returning Officer, Acting Returning Officer, Deputy Returning Officer or Deputy Acting Return Officer and similar positions as detailed in paragraph 16 above. The roles are currently appointed to by the Returning Officer prior to each election, or in the case of the Returning Officer, by full Council.
22. The other terms and conditions of service relating to these posts are in accordance with the National Joint Council – National Agreement on Pay and Conditions of Service. Any other allowances relating to the posts are the same as for all other posts within the Council, for example, reimbursement of fuel expenditure from business travel.

Head of Service Remuneration

23. The Council has 7.6 FTE head of service posts reducing to 7 FTE posts from April 2019. Heads of service report to either the Chief Executive or the Chief Operating Officer. These are shown on the chart at Appendix D.
24. The post of Head of Service is paid on a single pay point at either Band 2 or Band 3 of the agreed pay structure as shown below. The banding was determined by the Senior Manager Job Evaluation Scheme. 2018 salaries are pending a national pay award.

	April 2018	April 2019
Band 1	£86,580	£88,312
Band 2	£60,309	£61,515
Band 3	£55,254	£56,359

25. Additional Allowances for Head of Service posts are:

Reimbursement of one professional subscription fee per annum - this applies to the Head of Legal and Democratic Services.

Deputy Returning Officer - If these duties are undertaken by any Head of Service additional allowances are payable as described in paragraph 16 above. The role is currently appointed to by the Returning Officer prior to each election.

Strategic Head of Economy and Growth – The Council has agreed an additional retention payment of £10,000 to ensure the post is paid at a comparable level to similar 2nd tier posts in the region.

26. The other terms and conditions of service relating to these posts are in accordance with the National Joint Council – National Agreement on Pay and Conditions of Service.

Any other allowances relating to the posts are the same as for all other posts within the Council, for example, reimbursement of fuel expenditure from business travel.

Recruitment of Chief Executive and Chief Officers

27. Under Section 112 of the Local Government Act 1972, the Council has the “*power to appoint officers on such reasonable terms and conditions as the authority thinks fit*”. Where there is a requirement to recruit to the post of Chief Executive or a Chief Officer, the Council’s Constitution, Section 4.8 will apply. Details are at Appendix E.

Salary upon Appointment

28. Under normal circumstances, all new appointments to the post of Chief Executive will be made at a salary level reviewed and agreed by Full Council after external advice has been received. Chief Officer appointments will be made at the agreed single pay point. Any variance to these provisions will be subject to an analysis of the objective reasons for doing so and the approval of Council.

Performance-Related Pay

29. The Localism Act 2011 requires Councils to provide details of any performance related pay for its Chief Officers however Burnley Borough Council does not have any such arrangements.

Relationship between Chief Executive/Chief Officer Pay and other Employees

30. The relationship between the salaries of the Chief Executive and Chief Officers and the NJC median salary and the lowest paid salary are:-

Post	Benchmark Salary	Ratio
Chief Executive salary	median salary	3.9
Chief Officer salary	median salary	2.1
Chief Executive salary	lowest salary	6.3
Chief Officer salary	lowest salary	3.5

From April 2018

Chief Executive salary £109,254, Chief Officer salary £60,309– (Band 2 salary point)

Median salary = £28,221– scp 31

Lowest salary on pay spine = £17,007 scp 11 Foundation Living Wage from April 2018 (£16,539 2018/19 - £8.75/hour))

Lowest employee salary – Grade 3 £17,391

Lowest Paid Employees

31. The Council complies with the National Joint Council – Pay and Conditions of Service. The NJC Pay Policy from April 2018 details the Council’s lowest grade is Grade 2 at national pay point 11 (£17,007), the Foundation Living Wage for the financial year 2018/19 being £16,539. This does not include apprentice grades.

Progression through grades other than Grade 2 (and Grade 3 from April 2019) occurs through the payment of an additional annual increment on 1st April, each year. Part-time posts are paid the same salary, but on a pro-rata basis. Currently Grade 3 is the lowest grade paid to contracted employees. This is one Grade 3 post in the organisation and three career graded posts that commence at Grade 3.

Termination Payments

32. The Council's Redundancy Policy applies equally to all permanent employees regardless of their grade. A redundancy payment will be paid to an employee when their post is made redundant and there are no suitable redeployment opportunities. The Redundancy Policy is at Appendix F.
33. For all permanent employees where there is the option for early retirement, the Council's Statement of Pensions Policy will apply. Appendix G. This Policy is only used on those occasions when there can be demonstrated savings to the Council in releasing an employee early.
34. The Government has previously proposed it will introduce a cap on the total value of exit payments in the public sector of £95,000 enacted through the Enterprise Bill 2015-16. Regulations are still awaited although no firm date has been given. Council policies and procedures will be updated accordingly.

Employer Pension Contribution

35. The Council contributes to the Local Government Pension Scheme for its employees who are members of the Scheme which is 15.4 % of an employee's salary. This rate of contribution is set by actuaries advising the Lancashire Pension Fund and is reviewed on a triennial basis.

Employee Pension Contribution

36. Employees in the Local Government Pension Scheme currently pay the following annual contributions, based upon their salary (to be updated from April 2019).

Band	Actual Pay	Employee Contribution %
1	Up to £14,100	5.50
2	£14,101-£22,000	5.80
3	£22,001-£35,700	6.50
4	£35,701-£45,200	6.80
5	£45,201-£63,100	8.50
6	£63,101-£89,400	9.90
7	£89,401-£105,200	10.50
8	£105,201-£157,800	11.40
9	More than £157,801	12.50

Re-employment / Re-engagement of former Chief Officers

37. The Council currently has no policy that would prevent the re-employment or re-engagement of a former Chief Officer who has received a redundancy payment and is subsequently engaged in a contract for service. Any decision to re-engage a former Chief Officer must be approved by the Chief Executive.
38. The Government has issued draft regulations concerning the recovery of exit payments made to employees in the public sector and returning to a public sector role within a period of 12 months. It is not known whether the regulations will be implemented during 2019 but if so Council policies and procedures will be updated accordingly.

Gender Pay Gap

39. Burnley Council's mean pay gap 4.7%, the median is 5.47% based on analysis at 31st March 2018. Latest figures suggest that the median gender pay gap across the public sector is 19% and the figure across all industries in Lancashire is 20.8% with Burnley at 7.5%. Details are provided in Appendix H.

Publication of the Policy

40. This Policy will be published on the Council's website in March 2019, following its approval by the Council in February 2019.

Review of Pay Policy

41. The Policy will be subject to annual review and must be approved by the Council prior to 31st March each year. If there is a need to amend the Policy between reviews, then any such amendments will be considered by the Executive, prior to approval by the Council.

Burnley Borough Council NJC Pay and Grades 2018 – 19

Grades 2018-2019 from
01.04.2018

			Hrly Rate				Hrly Rate	
Grade 14	SCPA49	£44,697	23.65	Grade 7	SCPH28	£25,463	13.47	
	SCPA48	£43,757	23.15		SCPH27	£24,657	13.04	
	SCPA47	£42,806	22.65		SCPH26	£23,866	12.63	
	SCPA46	£41,846	22.14		SCPH25	£23,111	12.23	
Grade 13	SCPB46	£41,846	22.14	Grade 6	SCPI25	£23,111	12.23	
	SCPB45	£40,858	21.62		SCPI24	£22,401	11.85	
	SCPB44	£39,961	21.14		SCPI23	£21,693	11.48	
	SCPB43	£39,002	20.63		SCPI22	£21,074	11.15	
Grade 12	SCPC43	£39,002	20.63	Grade 5	SCPJ21	£20,541	10.87	
	SCPC42	£38,052	20.13		SCPJ20	£19,819	10.49	
	SCPC41	£37,107	19.63		SCPJ19	£19,446	10.29	
	SCPC40	£36,153	19.13		SCPJ18	£18,870	9.98	
Grade 11	SCPD40	£36,153	19.13	Grade 4	SCPK17	£18,672	9.88	
	SCPD39	£35,229	18.64		SCPK16	£18,319	9.69	
	SCPD38	£34,106	18.04		SCPK15	£17,972	9.51	
	SCPD37	£33,136	17.53		SCPK14	£17,681	9.35	
Grade 10	SCPE37	£33,136	17.53	Grade 3	SCPL13	£17,391	9.20	
	SCPE36	£32,233	17.05		SCPL12	£17,173	9.09	
	SCPE35	£31,401	16.61					
	SCPE34	£30,756	16.27					
Grade 9	SCPF34	£30,756	16.27	Grade 2	SCP11	£17,007	9.00	New scp from 1.4.18
	SCPF33	£29,909	15.82		SCPM11	£16,539	8.75	Foundation Living Wage Oct 2017 1.4.18
	SCPF32	£29,055	15.37					
	SCPF31	£28,221	14.93					
Grade 8	SCPG31	£28,221	14.93					
	SCPG30	£27,358	14.47					
	SCPG29	£26,470	14.00					
	SCPG28	£25,463	13.47					

Appendix A1 - NJC Pay Spine from April 2019

		1 April 2019			
		New SCP	£ per annum	£ per hour	Old SCP[s]
Grade 2		3	£18,065	£9.56	10/11
Grade 3		4	£18,426	£9.75	12/13
Grade 4		5	£18,795	£9.94	14/15
		6	£19,171	£10.14	16/17
Grade 5		7	£19,554	£10.35	18
		8	£19,945	£10.55	19
		9	£20,344	£10.76	20
		N/A	£20,751	£10.98	New
Grade 6		11	£21,166	£11.20	21
		12	£21,589	£11.42	22
		N/A	£22,021	£11.65	New
		14	£22,462	£11.88	23
		15	£22,911	£12.12	24
Grade 7		N/A	£23,369	£12.36	New
		17	£23,836	£12.61	25
		N/A	£24,313	£12.86	New
		19	£24,799	£13.12	26
		20	£25,295	£13.38	27
Grade 8		N/A	£25,801	£13.65	New
		22	£26,317	£13.92	28
		23	£26,999	£14.28	29
Grade 9		24	£27,905	£14.76	30
		25	£28,785	£15.23	31
Grade 10		26	£29,636	£15.68	32
		27	£30,507	£16.14	33
Grade 11		28	£31,371	£16.60	34
		29	£32,029	£16.94	35
		30	£32,878	£17.39	36
Grade 12		31	£33,799	£17.88	37
		32	£34,788	£18.40	38
		33	£35,934	£19.01	39
Grade 13		34	£36,876	£19.51	40
		35	£37,849	£20.02	41
		36	£38,813	£20.53	42
Grade 14		37	£39,782	£21.05	43
		38	£40,760	£21.56	44
		39	£41,675	£22.05	45
Grade 14		40	£42,683	£22.58	46
		41	£43,662	£23.10	47
		42	£44,632	£23.61	48
		43	£45,591	£24.12	49



**CORPORATE PERSONNEL POLICY AND GUIDANCE
PEOPLE AND DEVELOPMENT**

NJC Pay Policy

For employees on National Joint Council (NJC) terms and conditions and/or whose jobs have been evaluated using the NJC Job Evaluation Scheme.



NJC PAY POLICY

Introduction

This policy should be read alongside the Council's Pay Policy Statement, which is reviewed annually and the purpose of which is to:

- maintain a transparent approach to the setting of the pay of the Council's employees;
- comply with the requirements of the Localism Act, Section 38 – Pay Accountability

The statement details the methods by which salaries of all employees are determined; the details of the remuneration of its senior employees, i.e. Chief Officers and the relationship between the salary of its Chief Officers and other employees.

Background

The Council complies with the National Joint Council – Pay and Conditions of Service subject to changes agreed locally in consultation with recognised trade unions.

The Pay Policy 2006, developed following a job evaluation exercise, created a 14 grade structure, each grade based on a job evaluation point range. This was amended in April 2013 to a 13 grade structure by merging grade 1 and 2. It also amended the number of pay points in grade 3 from 4 to 3 in order to become a Living Wage employer. It was further agreed that the lowest pay point on the Council's pay spine would be the Foundation Living Wage or scp10, whichever was the greater value.

In April 2016 the Council agreed to further amend its pay spine reducing the pay points in Grade 3 from 3 to 2 (points12 and 13) and moving Grade 2 from scp10 to scp11 of the pay spine to reflect the increase in the Foundation Living Wage (FLW). Spinal column point 11 became the lowest pay point which would be the FLW or the agreed scp11 on the national pay spine, whichever was the greater value.

The National Employers and trade unions agreed a two year pay deal covering the period 1 April 2018 to 31 March 2020. Year 2 of the deal, effective from April 2019, includes a new, renumbered national pay spine which absorbs the impact of the National Living Wage. The new spine is numbered 1 to 43 but the Council's lowest pay point will be scp3 (previously scp11).

The new pay spine includes some pairing-off of the old scp 6 – 17 which has had the effect of reducing the number of pay points in our grades 3 and 4 and has added in 5 new pay points, which the Council has agreed will be "fallowed" in order to reduce the impact on the agreed 13 grade structure.

The agreement with the trade unions is therefore that:

- The Council will continue to apply the Foundation Living Wage as its lowest pay point for employees or scp3, whichever is the higher.
- Grade 2 will become scp3 on the new pay spine (formerly scp11).
- Grade 3 will become a single pay point grade scp4 - merging the former scp12 and scp13.
- Grade 4 will have 2 pay points scp5 (merging former scp14 and scp15) and scp6 (merging scp 16 and 17)

Pay points 1 and 2 on the new pay spine and the “fallowed” pay points 10,13,16,18 and 21 may be brought into use in future to support further agreed changes to the grading structure as required or to support apprenticeships and or traineeships.

For employees of the Council progression through grades with more than one pay point occurs through the payment of an additional annual increment normally on 1st April, each year until the top of the grade is reached. Part-time posts are paid the same salary, but on a pro-rata basis.

The revised NJC Grading Structure and associated job evaluation point range is shown at Appendix 1 to this policy.

1. Working Week

The local agreement for normal working hours is as follows:

- The normal working week will be Monday to Friday.
- The normal working day will be within the hours of 7.30 am and 6.30 pm.

2. Definitions:

Weekends: Working Saturday and/or Sunday is part of the normal working week.

- Shifts:
- The total period covered by the shifts is 11 hours or more
 - There are at least 4 hours between the starting time of the earliest and latest shifts
 - The number of “normal office hour” shifts does not exceed one half of the total number of shifts in the rota.

Irregular Hours As part of the normal working week an employee’s hours of work during Monday to Friday fall outside the period 1 ½ hours before and/or 1 ½ hours after the Council’s normal office hours

Evenings Working beyond 8pm is part of the normal working week

3. Enhancements

- (a) Employees who work shift, weekend, irregular hours or evenings will be paid a flat fee on top of their basic salary based on the following formula:

Percentage of enhanced working hours	Percentage of Total Annual Payment	Annual Payment (£) Paid pro-rata to working hours
Less than 1%	0%	0.00
2 – 5%	33.33%	200.00
6 – 10%	66.66 %	400.00
Over 10%	100.00%	600.00

- (b) Employees who work between 1am and 6am as a regular part of their job will be paid an additional 100% for the hours worked between 8pm and 6am. Employees in this group do not qualify for payments in (a).
- (c) Employees who work 3 weekends out of 4 and work beyond 7pm at weekends and work between 8pm -11pm as a regular part of their job will receive an additional 10.5% on all hours worked. Employees in this group do not qualify for payments in (a)
- (d) As part of the local agreement on enhancements employees are provided with 1 days’ additional leave at Christmas. Employees will also contribute 1 day of annual leave, thereby facilitating full closure at Christmas. In years where 3 days are

required to facilitate a full closure, (2 in 7) the Council will provide this additional day.

4. **Overtime**

Overtime will be paid at the following rates:

- Mon – Sat 33.3%
- Sunday 50%

Overtime rates only apply after 37 hours have been worked.

All Time of in Lieu (TOIL) will be calculated at the same rate as overtime.

5. **Bank Holidays**

Employees working on a Bank Holiday will be paid at 50%. In addition to the payment time off with pay shall be allowed as follows:

Time worked less than half the normal working hours on that day: Half Day

Time worked more than half the normal working hours on that day: Full Day

6. **Standby and Callout**

The Council's Standby and Callout Policy applies to all employees who are called upon to attend work in respect of emergency arrangements. Please refer to the policy for details.

7. **Market Supplements**

Pay is an important element in recruitment and retention, and if the Council is significantly and demonstrably below the market and unable to recruit or retain appropriate staff, then market supplements will be considered.

Market supplements will be used in a manner that:

- Helps preserve the integrity of the grading system
- Is fair and transparent
- Is consistent with equal opportunities policy and equal pay considerations

Market supplements will normally be considered where there is difficulty recruiting staff following one/two advertisements within six months or a risk assessment indicates potential retention difficulties. There would need to be investigation and analysis by the manager and People and Development to be sure that pay is the critical factor. There could be other reasons why people do not apply (e.g. hours of work, location, nature of the work, not advertising in the correct press). Consideration may also need to be given to amending the person specification of the post.

A market supplement will also be considered if retention problems are being encountered either for a job family or an individual key post. Again, it is important to investigate the reasons for retention difficulties to establish that pay is the principal and primary reason. There could be many other factors, such as staff not being able to make full use of their skills, working conditions, career development, management or training and development opportunities.

The market with which a comparison is being made will need to be carefully established. If comparison is being sought with the private sector, then the total recruitment package should be compared. A private sector company may have a higher salary but other conditions may not be as attractive, e.g. hours of work, pension, access to training and development opportunities, etc.

Where possible a reliable, reputable salary survey will be used as a comparator rather than specific jobs from other sources although these can be added to build up a comprehensive set of comparative data. The National/Regional Employers Organisation will be used as a key source, supplemented by other means. Where data is not readily available People and Development colleagues will advise on the process for assembling comparative data.

Care should be taken to compare like with like (i.e. just because a job has the same title, the job content, responsibilities and remit could be vastly different).

Market Supplement Procedure

Where a manager has severe recruitment or retention difficulties, s/he should discuss these with People and Development who will advise on a range of options to investigate and to solve the difficulties. These could include —

Recruitment

- advertise in different press
- advertise in different area
- change the advertisement
- redesign the job
- consideration of flexibility over hours of work
- part-time / job share
- a survey of the people who apply for a recruitment pack but who do not convert to applicants
- a salary survey

Retention

- making better use of staff skills
- career development
- up-to-date IT

- distribution of work in the office
- flexible work arrangements
- learning from results of exit interviews

If consideration of other factors is unlikely to resolve the problem and a survey of salaries shows that Burnley Council pay is below the appropriate market, then an application to pay a market supplement should be made to the Head of People and Development or designated substitute, who will consult the Executive Member for Resources and Performance Management and the appropriate trade union Officers. The Finance and Property service unit should also be consulted to cost the proposal and the head of service must be able to identify the resources to meet the cost of the market supplement.

The market supplement will not normally exceed 4 increments.

The head of service must consult the trade union on the proposal prior to the formal application and may wish to work with service unit trade union representatives in assembling or researching data on comparative salaries.

If the post is one of a number of posts having identical duties, the market supplement will be applied to staff currently in post.

The market supplement will be superannuable and clearly distinguishable from basic pay. It will be reviewed every 12 months. If a further salary survey shows that there is no longer a pay differential, this will justify the removal of the supplement.

If the market supplement is withdrawn, it will reduce on a phased cash basis (i.e. gross pay would reduce by £500 per annum over a period until the market supplement is withdrawn completely).

If, after a successful job evaluation appeal, the grade of the post is increased the supplement may be adjusted to ensure that the market rate is not exceeded.

Other linked Policies and Procedures

Stand By and Call Out Payments Policy

Pay Protection Policy

Relocation Allowances Policy

Long Service Awards

Honoraria payments

Job Evaluation Request for Review Procedure

Subsistence Allowances

Car mileage rates

J:/Shared/Personnel Manual/NJC Pay Policy
February 2019



**CORPORATE PERSONNEL POLICY AND GUIDANCE
PEOPLE AND DEVELOPMENT**

Pay Policy

**JNC for Chief Officer of Local Authorities
Constitution and Conditions of Service Salaries**



CHIEF OFFICER PAY POLICY

1. Introduction

The terms and conditions of employment of the Council's Chief Officers are determined nationally by the Joint Negotiating Committee for Chief Officers of Local Authorities, as detailed in the Constitution Condition of Service Salaries.

Pay levels do not directly depend on national negotiations. They are locally determined and operated with the intention of sustaining and continuously improving high performance outcomes from the top of the organisation.

2. Scope

This policy applies specifically to the paid remuneration of those Council employees employed on Chief Officer terms and conditions. Except where referred to in this policy or the Constitution Condition of Service Salaries, Chief Officers shall enjoy terms and conditions no less favourable than those afforded to National Joint Council (NJC) conditions.

3. Aims

The aims of this policy are to:

- promote fairness and equality;
- encourage cross organisational working;
- ensure pay levels are affordable and responsive to market pay rates;
- provide effective resourcing capacity for Chief Officer posts in order to deliver the Council's priority outcomes.

4. Determining Individual Salaries

The relative job size of each post is determined through an agreed job evaluation scheme, supported by independent assessors.

The Council agreed in 2011 to use the nationally agreed Local Government Employers JNC Job Evaluation Scheme which assesses jobs in the areas of knowledge, analysis and planning, impact and responsibility for resources.

Job questionnaires are completed and authorised for each job role and are individually evaluated. The resulting total points score will determine the salary level for each post as assessed against the Council's agreed salary structure for Chief Officers.

5. Appeals

A Chief Officer who is not satisfied with their resulting job evaluation score should set out the grounds for his/her appeal under the relevant job evaluation factor.

Step 1

The employee will discuss their appeal with the Chief Executive (Chief Operating Officer) or the Chief Operating Officer (Heads of Service), supported by the Head of People and Development or the Strategic HR Manager. The employee is entitled to representation from a work colleague or trade union representative.

Step 2

If the concerns are not settled or withdrawn the matter will be referred to an independent expert in the scheme for an independent view of the factor concerned.

The decision of the external review will be final. Chief Officers must wait a minimum of 12 months before submitting a further request for review.

6. Salary Structure

When establishing or reviewing the salary structure for Chief Officers the Council will refer to the most relevant median salary in terms of local authority population and type. The Council will seek independent external advice on the relevant pay data to be used.

The median of the relevant benchmark pay data will normally be appropriate although pay levels may be assessed above or below the median taking account of external independent advice.

The pay rates do not take account of market factors. This is dealt with under the paragraph on Market Supplements.

In determining the pay structure other factors which may be taken into account include:

- Chief Executive's salary;
- special market / economic conditions;
- relationship of current salary levels to national median salaries;
- the management team structures compared to authorities of a similar structure and size;
- the size of each job as objectively assessed through a job evaluation scheme.

The salary structure (from April 2012) is made up of three bands with a single pay point in each band:

- Band 1 JE Score 1501 and above
- Band 2 JE Score 1101 – 1300
- Band 3 JE Score 901 - 1100

The salary in each pay band from April 2019 is as follows:

- Band 1 Chief Operating Officer £88,312 (average minimum)
- Band 2 Heads of Service £61,515 (based on median plus 7.5%)
- Band 3 Heads of Service £56,359 (based on median plus 7.5%)

Median pay levels will normally be monitored and independently reviewed every 3 years. The Council will be advised where the salary levels are significantly above or below the median for comparable local authorities as defined above.

7. Hours of Work

The normal week is 36.25 hours Monday to Friday. The normal working day is within the hours of 7.30 am and 6.30 pm. However the status of Chief Officer requires postholders to accept a high level of flexibility in the performance of the duties and responsibilities attached to the job role. Therefore the salary agreed takes account of the fact that Chief Officers will be required to attend meetings and perform other duties relating to Council business outside normal office hours. In circumstances where this is excessive some time off in lieu may be granted in consultation with the relevant line manager.

8. Honoraria

The Council may consider granting an honorarium to a Chief Officer who performs duties outside the scope of his/her post over an extended period. The amount will be assessed in line with the salary structure and job evaluation scheme and will be subject to objective justification.

9. Pay Protection

Pay protection will be limited to no more than one pay point above the existing Chief Officer salary level, subject to a maximum of £6,000 per annum on all pay bands. The Chief Officer will accept additional duties and responsibilities beyond the scope of the lower graded job description up to the value of the protection and will continue to seek employment within the Council at a higher grade when this becomes available so the cost of protection is reduced.

Protection will be on the following basis:

- Year 1 – 100% cash protection*
- Year 2 – 66% protection.
- Year 3 – 33% protection
- Year 4 and beyond – no protection.

*Cash protection means that pay is frozen at the time of redeployment with no further annual pay rises being paid. The percentages referred to are of the difference between the pay in the old and new job.

10. Market Supplements

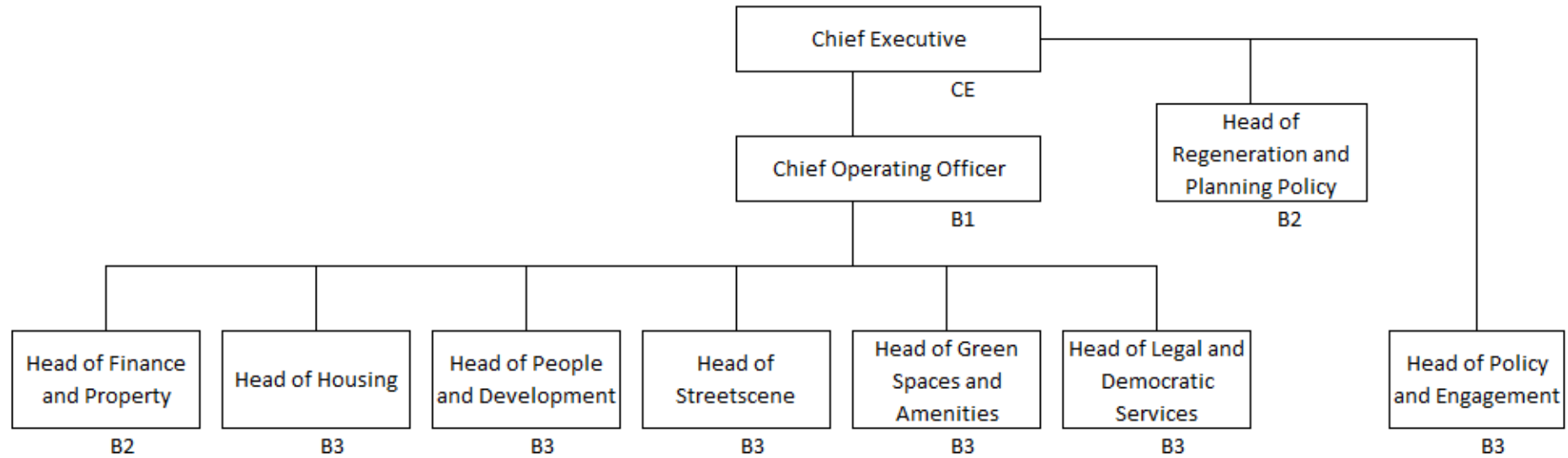
Pay is an important element in recruitment and retention, and if the Council is unable to recruit or retain a Chief Officer then a market supplement may be considered.

Market supplements will be used in a manner that:

- helps preserve the integrity of the salary structure;
- is fair and transparent;
- is consistent with equal pay considerations.

A market supplement or retention payment will normally be considered where there is difficulty recruiting a Chief Officer following one/two advertisements within six months or a risk assessment indicates potential retention difficulties. There would need to be investigation and analysis by the Chief Executive/Chief Operating Officer and Head of People and Development or Strategic HR Manager supported by the Head of Finance and Property and external, independent advice.

Any additional payments would require the approval of the Council following receipt of appropriate advice, together with agreed mechanisms for the review and removal of the supplement.



Page 579

At April 2018

Band 1 Chief Operating Officer	1
Band 2 Heads of Service	2
Band 3 Heads of Service	5.6 FTE

Officer Employment Procedure Rules

1. Recruitment and appointment

The Council will follow its approved recruitment and selection procedures, including the preparation of job descriptions, person specifications and advertisements, when seeking to make officer appointments.

As part of the recruitment procedure the Council will make arrangements for a copy of the following declaration to be included in the recruitment information sent to all applicants:

'Under the Local Government Act 2000 you must declare in writing whether you are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew or niece of an existing Member or officer of Burnley Borough Council; or the partner of such persons.

No candidate so related to a Member or officer will be appointed without the authority of the relevant chief officer or an officer nominated by him or her'.

Applicants will also be advised that the Council will disqualify any applicant who seeks the support of any Member for any appointment with the Council.

No Member will seek support for any person for any appointment with the Council.

2. Recruitment of Chief Executive/ Head of Paid Service and other officers on JNC Terms and Conditions.

Where the Council proposes to appoint the Chief Executive/Head of Paid Service or any other officer on Joint Negotiating Committee for Local Authority Chief Executives and for Chief Officers of Local Authorities (JNC Terms and Conditions) it will prepare a job description, person specification and advert. Except where the position is to be advertised internally first the Council will make arrangements for the post to be advertised in such a way as to bring it to the attention of persons who are qualified to apply for it.

A committee of the Council, constituted as an Appointments Committee as set out in Paragraphs 4, 5 & 6, will be established to recruit the relevant Officers. The Head of People and Development, or in their absence the Strategic HR Manager, will be appointed as the Proper Officer for the appointment and will advise the Appointments Committees.

Members of the Executive will have the opportunity to raise objections to decisions about the appointments of senior officers i.e. those on JNC Terms and conditions.

3. Appointment of Chief Executive/ Head of Paid Service- by Full Council

The Full Council will approve the appointment of the Chief Executive/ Head of Paid Service following the recommendation on the appointment by the Appointments Committee as set out in Paragraph 4. That committee must include at least one member of the Executive.

4. **Appointment of Chief Executive/ Head of Paid Service**

The Appointments Committee will comprise:

Leader;

Deputy Leader;

Executive Member for Resources and Performance Management; and
the Leaders of the two largest Opposition Groups.

Any of the above mentioned Appointment Committee members may nominate a substitute to take their place on the Committee.

Such substitute shall, save in the case of the Executive Member for Resources and Performance Management, be a member of the same political group as the member being substituted.

Any substitute nominated by the Executive Member for Resources and Performance Management shall be a member of the Council's Executive.

5. **Appointment of officers on JNC Terms and Conditions (other than the Chief Executive or Heads of Service) – i.e. Chief Operating Officer.**

The Appointments Committee will comprise:

Leader or Deputy Leader

Relevant Executive Member

Chair (Vice Chair as sub) of the Scrutiny Committee

Chief Executive

If, by the application of these Rules the membership of the Committee does not include at least one Member of an opposition group, then the Leader of largest opposition group (or their nominee) will be substituted for the Scrutiny place on the Committee.

6. **Appointment of officers on JNC Terms and Conditions (other than the Chief Executive/ Head of the Paid Service or Directors) – i.e. Heads of Service**

The Appointments Committee will comprise

Leader or Deputy Leader,

Relevant Executive Member; and

Chief Executive and/or Chief Operating Officer

Whichever of the Leader or Deputy are to be on the Appointments Committee, if they are also the Relevant Executive Member then another member of the Executive should be appointed to make up the three. The Chief Executive and Chief Operating Officer may both sit on the Committee if this is relevant to the responsibilities of the post.

7. **Other appointments**

Appointment of assistants to political groups shall be made in accordance with the wishes of the political group.



**PERSONNEL POLICY AND GUIDANCE
PEOPLE AND DEVELOPMENT**

REDUNDANCY POLICY

Procedure and Guidance



CONTENTS

1.	INTRODUCTION	2
2.	SCOPE	2
3.	CONSULTATION	2
4.	DEFINITION OF REDUNDANCY	2
5.	AVOIDING OR MINIMISING REDUNDANCY	2
6.	PROCEDURE FOR THE MANAGEMENT OF REDUNDANCY	3
7.	REDUNDANCY SELECTION	4
8.	FORMAL NOTIFICATION OF REDUNDANCY	6
9.	SUITABLE ALTERNATIVE EMPLOYMENT	6
10.	EMPLOYEE SUPPORT AND ADVICE	6
11.	RIGHT OF APPEAL	7
12.	REDUNDANCY PAYMENTS	7
13.	WITHHOLDING REDUNDANCY PAYMENTS	8
14.	PAID LEAVE OF ABSENCE	8
15.	GARDEN LEAVE	8
	REDUNDANCY PROCEDURE QUICK GUIDE	9
	Redundancy Selection Model.....	10
	PROCEDURE FOR DEALING WITH REDUNDANCY APPEALS	11
	REDEPLOYMENT POLICY	14
	RETENTION AND REDEPLOYMENT DISABILITY, INJURY & ILL HEALTH	19
	PAY PROTECTION POLICY	24

1. INTRODUCTION

This document sets out the principles and procedures to apply where reductions in staffing levels, including compulsory redundancies, are required.

Burnley Borough Council aims to be an employer of choice and will take all reasonable steps to avoid redundancies. However it recognises that modernisation, service improvements, reorganisations and financial constraints or the need for particular knowledge and skills will affect staffing levels and therefore redundancies may become necessary.

Where this occurs, the Council is committed to minimising the effect and to providing reasonable support to those employees affected.

2. SCOPE

This procedure applies to all Council employees. Where redundancy applies to Chief Officer grades then either the Chief Operating Officer or the Chief Executive will be responsible for the consultation. Separate consultation arrangements will apply for the Chief Executive.

3. CONSULTATION

The Council believes in working positively with the recognised trade unions to resolve problems and minimise the impact on employees. Therefore consultations, including those with individual employees, will be timely and meaningful, and all positive suggestions given serious consideration. Consultation will take place as soon as practicable and notices will be issued only after meaningful consultation has taken place.

4. DEFINITION OF REDUNDANCY

Redundancy is defined in law as a dismissal for one of the following reasons:

- the employer ceases, or intends to cease the business in which the employee was employed; or
- the employer ceases or intends to cease to carry on the business in the place where the employee was employed; or
- the requirement to carry out work of a particular kind has ceased or diminished or is expected to cease or diminish.

In cases where the service transfers to another provider, employees are not necessarily redundant and would normally transfer to another employer on their existing terms and conditions, commonly referred to as "TUPE" regulations (Transfer of Undertakings Protection of Employment).

5. AVOIDING OR MINIMISING REDUNDANCY

The Council will take all reasonable steps to avoid or minimise redundancies. The strategy adopted may vary for each redundancy situation, but typically could include:

- job matching an employee to another post in the authority (see Job Matching Procedure)
- redeployment and retraining (See Redeployment Policy) ;
- achieving reductions through natural wastage;
- reviewing the use of agency or temporary staff;
- freezing external advertising and filling posts from existing employees;
- reviewing overtime working;
- reducing the hours of work:
- seeking voluntary reductions in working hours;
- seeking volunteers for early retirement / redundancy (ER/VR) where this can be justified in the financial or managerial interest of the Council.

NB Each request for ER/VR will be considered but it must be stressed that the overriding consideration will be the continued efficient running of the Council and the maintenance of a high quality skills base. Therefore the Council reserves the right to reject requests from volunteers where it is believed that it is in the Council's best interest.

6. PROCEDURE FOR THE MANAGEMENT OF REDUNDANCY

In any redundancy situation the procedure as set out below should be followed.

6.1 Consultation

Employees and relevant trade unions should be made aware of the proposals for organisational change, and the reasons, at the earliest opportunity. Failure to consult could result in a finding of unfair dismissal by an Employment Tribunal. Before starting any redundancy process advice should be sought from People and Development.

Prior to employees and trade unions being formally advised of any proposals that may involve redundancies, Management Team must be consulted and authorise commencement of consultations. Meaningful discussions should then take place with trade unions on measures that could be taken to avoid or minimise the redundancies and an agreement reached on the selection criteria that should be used. A report to the Executive should be prepared to confirm the proposal and include detail of the consultation that has taken place prior to the issue of redundancy notices.

The above reporting and consultation procedures include redundancies that occur as a result of known expiry of external funding arrangements that are agreed within existing budget arrangements.

6.2 Timescales for Statutory Consultation

There are minimum statutory timescales that indicate when formal consultation should begin. Consultation should allow for further consideration of any counter-proposals and alternatives to redundancy.

NO. OF REDUNDANCIES IN ANY 3 MONTH PERIOD	Period of Consultation
Less than 20 possible redundancies	Managers should allow a 30 day consultation prior to any redundancy notice being issued
20 – 99 possible redundancies	30 days statutory consultation period (including notification to the BIS)
100+	45 days statutory consultation period (including notification to BIS)

6.3 Notification to the Department for Business Innovation and Skills (BIS)

It is a legal requirement to notify BIS in writing of a proposal to make 20 or more employees redundant. Notification must be made on form HR1, which can be obtained from the BIS website. www.bis.gov.uk. At least 45 days' notice must be given if 100 or more employees are to be made redundant, and at least 30 days for 20 to 99 employees. The Strategic HR Manager (or his/her representative) will normally undertake this notification.

6.4 Notification to the Trade Unions

The Strategic HR Manager will also formally notify the appropriate trade union(s) in line with s.188 of the Trade Union and Labour Relations (Consolidation) Act 1992 of the potential intended redundancies. Formal consultation begins when a letter is sent to appropriate representatives, disclosing in writing:

- the reason for the proposals;
- the numbers and descriptions of employees the Council proposes to dismiss as redundant;
- the total number of employees of that description employed at the establishment in question;
- the proposed method of selecting the employees who may be dismissed;
- the proposed method of carrying out the dismissals, including the period over which the dismissals are to take effect;
- the proposed method of calculating the amount of redundancy pay.

7. **REDUNDANCY SELECTION**

Where the redundancy applies to particular jobs held by one or more individuals, the post(s) would be redundant without the need for selection.

Where there are multiple redundancies or a reduction in posts within a group of employees the "pool" of employees from which the redundancies will be drawn must be identified. This might be one team within a Service Unit, a group of employees doing the same job, usually working to the same or

similar job description, or those performing a particular function across a number of service units. Managers should seek advice from People and Development if the selection pool is not clear.

SELECTION CRITERIA

The criteria used for redundancy selection must be clear and objective and be based on the future needs of the service. It should be applied fairly and consistently and must not discriminate on the grounds of recognised [protected characteristics](#) as defined in the Equality Act 2010 which are:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership (in respect of eliminating unlawful discrimination)
- Pregnancy and maternity
- Race – this includes ethnic or national origins, colour or nationality
- Religion or belief – this includes lack of belief
- Sex (Gender)
- Sexual orientation

In addition there will be no discrimination on the grounds of social background, political affiliation, spent convictions and trade union membership.

The Council reserves the right to choose a method of selection which is appropriate to the particular redundancy situation and is committed to early consultation with the recognised trade unions and individual employees over the particular method of selection in any redundancy situation.

EXAMPLES OF REDUNDANCY SELECTION CRITERIA

- selection based on merit, individuals being measured against a person specification that reflects the requirements for the skills, qualifications and experience in the new posts;
- interviews used to appoint to new posts can involve the use of tests that are relevant to the requirements of the new posts;
- attendance record (having regard for our statutory obligations* and industrial injuries);
- disciplinary and capability records;
- length of service in the redundant role or a substantially similar role, used alongside the criteria above. .

*The Equality Act 2010 makes it unlawful for an employer to treat a disabled person less favourably because of a reason relating to their disability, without a justifiable reason. Employers are required to make reasonable adjustments to working conditions or the workplace where that would help to accommodate a particular disabled person. Employers should take account of this legislation when considering the dismissal of a disabled person.

Managers selecting for redundancy should usually use a scoring matrix, including all or some of the above criteria. It is essential that all selection

methods are objective and supported by documentation in case the decision is challenged. Even though the criteria may satisfy the test of objectivity, the selection will still be unfair if they are carelessly or mistakenly applied.

8. FORMAL NOTIFICATION OF REDUNDANCY

In accordance with this procedure, and following a period of consultation, notification of redundancy will be given, providing employees with appropriate notice of their employment being terminated:

Continuous Service	Period of Notice
One month or more but less than 2 years	4 weeks
Two years or more but less than 12 years	1 week for each year of continuous employment (minimum of 4 weeks)
12 years or more	Not less than 12 weeks

The Redeployment Policy is activated at the start of the consultation process and should be applied throughout the consultation process and during the period of notice. This is particularly relevant to the search for suitable alternative employment and any subsequent trial period.

9. SUITABLE ALTERNATIVE EMPLOYMENT

Please refer to the Redeployment Policy. Appendix 2

10. EMPLOYEE SUPPORT AND ADVICE

10.1 Redundancy Counselling

Once the individual(s) who are potentially redundant have been identified, an individual counselling meeting will be arranged led by the relevant Head of Service supported by an HR Advisor. The employee will be entitled to be accompanied by a trade union representative, friend or colleague.

The Head of Service should confirm the following details:

- why the Council has decided that redundancies are necessary, the numbers and area of work involved and the selection criteria;
- the personal details of the employee e.g. in relation to full name, address, start date of employment with Burnley Council, continuous employment date, date of birth and details of any disability;
- any actions being taken to reduce the impact of the potential redundancy including an explanation and copy of the Redeployment Policy, and any ongoing support with CVs, retraining, outplacement or personal support;
- details of the employee's entitlements in relation to notice period, redundancy payment and pension estimates (where applicable and as agreed under the Statement of Pensions Policy);

- the employee's entitlement to reasonable time off to search for alternative employment;
- the employee's right of appeal (Please refer to the procedure for dealing with Redundancy Appeals at Appendix 1) –

The Council's redundancy consultation process will be explained to the employee. Notes of these discussions should be made and retained on the individual's file.

10.2 Time off for Job Search

Employees will be allowed reasonable paid time off during working hours to look for work or to arrange/attend training. To ensure this is consistently applied, it is recommended that:

- the relevant manager should agree time off in advance;
- at least 24 hours' notice should be given;
- a letter confirming the appointment or training should, as far as possible, support the request for time off.

10.3 Welfare Counselling

Welfare counselling for staff is available. Employees should contact People and Development for further information.

11. RIGHT OF APPEAL

Please refer to the Procedure for Dealing with Redundancy Appeals – Appendix 1.

12. REDUNDANCY PAYMENTS

Redundancy Payments will be calculated according to the Employment Rights Act 1996, but improvements to these are permitted. These improvements require that all continuous local government service will be aggregated and also provide local authorities with the discretion to lift the limitation on the amount of "a week's pay" for redundancy payment calculation purposes from the normal statutory limit to the employee's actual weekly wage/salary. The Council has decided to use the discretion to base redundancy payments on the actual week's pay, if higher than the statutory limit. (NB Actual salary will normally be basic salary plus any regular salary enhancements paid over the preceding 12 week period. Actual salary will not include the employer pension contribution)

For employees who at the date of redundancy (with three or more months' membership of the pension scheme) are entitled to early payment of pension and lump sum under the Local Government Pension Scheme Regulations 2013. Payments will be made in line with the agreed Statement of Pensions Policy.

13. WITHHOLDING REDUNDANCY PAYMENTS

If an employee, under notice of redundancy, receives an offer of work outside the local government service, they can either work their notice with the Council and receive their redundancy payment or, if they wish to start prior to the end of the notice period, resign from their post (counter notice). In this case they will forgo the remainder of their notice pay but will be entitled to their redundancy pay calculated to the date they leave their employment.

If an employee, under notice of redundancy, receives and accepts an offer of work within the local government service, as covered by the Redundancy Modification Order, before their employment with Burnley Borough Council ends they will **not** be entitled to a redundancy payment. Their continuity of service will not be broken if they commence their new job before the 5th Monday following the date of termination of employment.

If an employee is made redundant and after their termination date obtains employment with another local authority they are entitled to retain any monies paid to them by their former employer in respect of notice and redundancy payments.

If the Council is aware that an employee under threat of redundancy has received an offer of employment with another local authority prior to their finishing date, then no redundancy payments will be made.

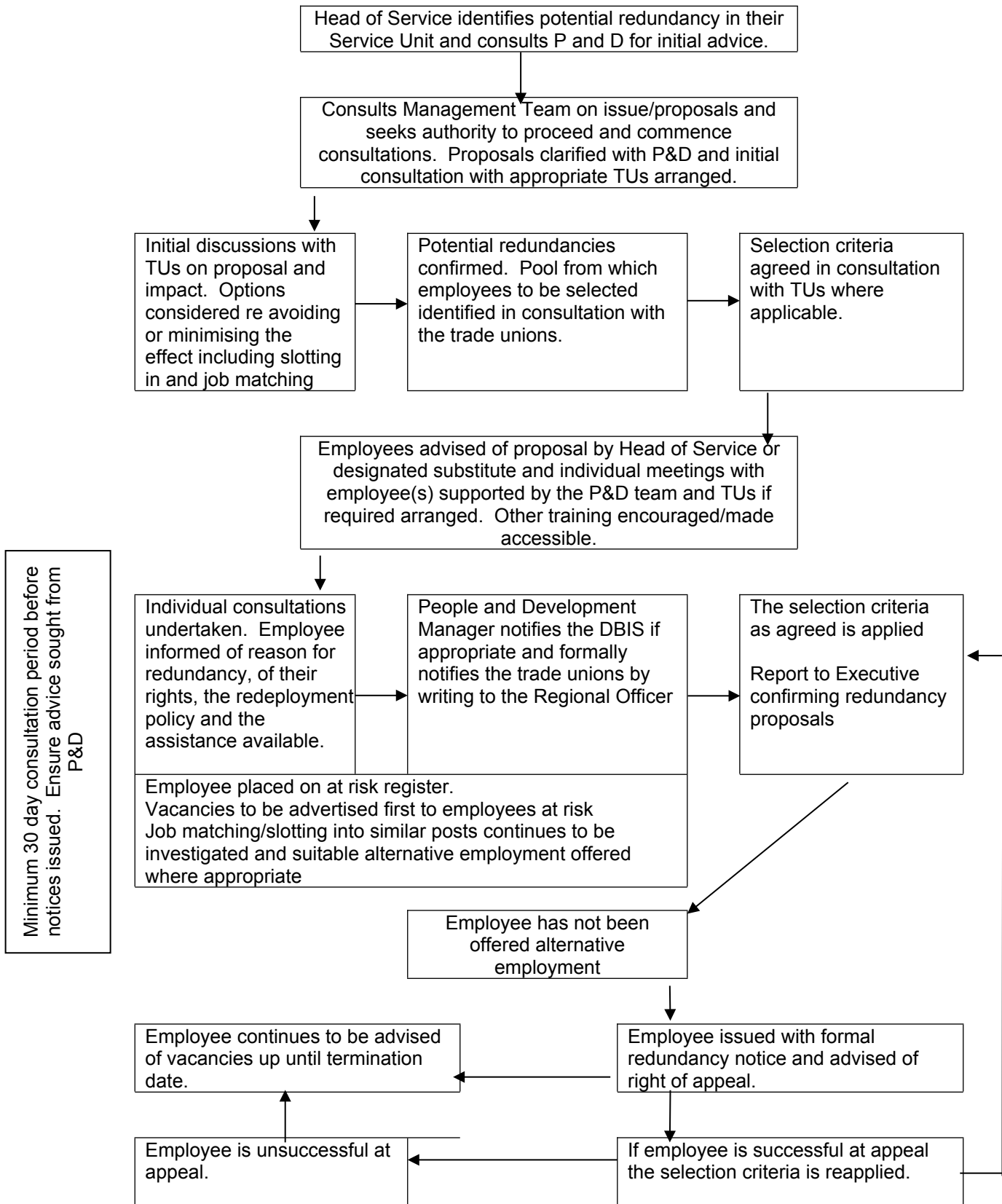
14. PAID LEAVE OF ABSENCE

It will normally be expected that employees will work through their redundancy notice period in order to continue to receive help and support from or arranged by People and Development. In some circumstances, for example where work has ceased or significantly diminished, an employee may request to have paid leave of absence for some or all of their notice period. Such requests will be considered by the Head of People & Development or Strategic HR Manager and must be supported by the relevant head of service. Any agreement to such requests must usually be for the mutual benefit of the Council and the employee.

15. GARDEN LEAVE

Garden Leave is the term used to describe a situation where an employee is required by their employer to remain away from work during the whole or part of the contractual notice period. Under the terms of this redundancy policy, as agreed with the trade unions, the Council may require employees to remain away from work during the whole or part of their redundancy notice period. This action will be taken in circumstances where the Council considers it needs to manage a significant risk or protect its interests. Such decisions will be made by the Head of People and Development or Strategic HR Manager in consultation with the relevant head of service and trade union representative.

REDUNDANCY PROCEDURE QUICK GUIDE



NORMAL REDUNDANCY SELECTION MODEL

Part 1	Personal Details	Scored out of 200 points overall Measured from (12 mths back from start of consultation)			
Full Name					
Directorate					
Service Unit					
Post No					
Job Title:					
Date of appointment to current job role					
Burnley Council service date					
Continuous service date					
Part 2 Knowledge Skills and Competence (60% 120 points)	High standard	Good standard	Satisfactory all essentials	Satisfactory most of essentials	
Heads of Service to confirm with P&D their proposed selection criteria before it is applied					
See separate guidance application of redundancy selection criteria					
Part 3 Disciplinary Record over last 2 years (10% - 20 points)	Issued on	Part 4 Absence Record over last 2 years (20% - 40 points)			Nos.
Verbal Warning		No of working days lost			
Written Warning		No of individual periods of absence			
Final Written Warning		Absence factor score			
Period from:		Period from:			
Period to:		Period to:			
Part 5 Length of Service (10% - 20 points) Length of service in current role or job roles very similar in nature with different title and grade					
Part 6 – Scoring	Records attached ✓	Banding (if applicable)	Score	Total (Out of 200)	
Example Job criteria 120 pts Met to a high standard all E & D criteria (120) Met to a good standard all E and D criteria (100) Met all E criteria to a satisfactory standard and some of D (80) Met most or all of E criteria to a satisfactory standard (60)					
Discipline 20 pts 0 (20), VW (15), WW (10), FWW (0) (over 2 years)					
Absence factor score 40 pts 0 (40), up to 25 (35), up to 63 (30), up to 100 (20), up to 500 (15) up to 1000 (10) over 1000 (0) Calc over 2 years. (Pro rata for PT staff) (NB Absences relating to industrial injury, pregnancy or disability sickness should normally be excluded)					
Length of Service 20 pts 2 points for every year of service measured over 10 years over 10 years (20), over 9 years (18), over 8 years (16) etc.... over 1 year (2) up to 1 year (0)					
Total Score (Out of 200)					

BURNLEY COUNCIL**PROCEDURE FOR DEALING WITH REDUNDANCY APPEALS****1.0 Redundancy Appeals Panel**

- 1.1 The Council shall establish a panel for the purpose of hearing and determining any appeals, which may be made against decisions relating to redundancies submitted by employees under this procedure. The Appeals Panel shall consist of 3 members of the Executive. Panels may be held in the evening if this helps to avoid delays and where possible an additional member identified as a substitute panel member.
- 1.2 At the appeal the Strategic HR Manager and/or the Head of Legal and Democratic Services/Senior Solicitor may be present throughout in an advisory capacity.
- 1.3 Redundancy appeals involving the Chief Executive, 151 Officer and Monitoring Officer will be considered by the Council under separately arrangements covered by the Chief Executive terms and conditions as agreed locally.
- 1.4 A member of the Appeals Panel shall not sit on any appeal that is to consider a decision on which he/she has had prior involvement.
- 1.5 Prior involvement means having a direct involvement in the selection of the employees to be made redundant including the agreement of the selection criteria (in consultation with the trade unions), the application of that criteria and the resulting decision on which employee/s the redundancy will fall. Prior involvement does not mean having an involvement in identifying savings targets and decisions on which services will be reduced or no longer supported. It will also usually be the case that the Executive Member of the service area from where the appeal originates will not take part in the appeal process. However, this will not be allowed to unreasonably delay an appeal being heard where other panel members are not available. Similarly, any other Officer with prior involvement in the redundancy selection process shall have no role in advising the Appeals Panel.

2.0 Appeals Procedure

- 2.1 All employees have the right to appeal to the Council's Redundancy Appeals Panel against dismissal for redundancy reasons. The grounds for appeal will concern the application of procedures, consultation and the fairness of selection. The decision of the Council to declare redundancies will not be grounds for appeal.
- 2.2 If the employee decides to appeal against their redundancy he/she must do so in writing, stating the grounds and enclosing relevant documents, within 10 working days of receiving formal confirmation that their post is to be made redundant. This may be in advance of the issue of the formal redundancy notice where the proposed numbers of redundancies

within a defined period are high. Notice of appeal must be sent to the Strategic HR Manager.

- 2.3 The Appeals Panel shall hear the appeal not later than 20 working days after the receipt of the notice of appeal from the employee, unless a later date for the hearing is mutually agreed. The employee shall be given at least five working days' notice of the hearing, in writing, stating the date, time and location.
- 2.4 The employee shall be in attendance at the hearing when the appeal is being heard and he/she may be represented by a friend or Trade Union representative, or legal adviser. If any party fails to attend, the Appeals Panel may, dependent on the circumstances, dismiss the Appeal, consider it in their absence or defer the hearing to an alternative date. Where either party intends to produce documentary evidence or call witnesses at the Appeal, details should be given to the other party in advance of the hearing.
- 2.5 The Appeals Panel shall have the right to allow the appeal or to confirm or alter the decision against which the appeal is made. The procedure to be followed at the hearing shall be as follows:

(Reference to the "Employee" should be taken to mean the employee and/or his/her representative(s) and reference to the Head of Service should be taken to mean the head of service or other appropriate senior officer).

- (a) The Head of Service to put the case in the presence of the employee and may call witnesses;
- (b) The employee to have the opportunity to ask questions of the Head of Service and/or the witnesses called, on the evidence given.
- (c) The Appeals Panel to have the opportunity to ask questions of the Head of Service and witnesses.
- (d) The Head of Service to have the opportunity to re-examine his/her witnesses.

Note: Where possible witnesses should be questioned in turn by the parties and the Panel and should withdraw on completion of the questioning unless specifically requested to remain.

- (e) The employee to put his/her case in the presence of the Head of Service and to call such witnesses he/she wishes.
- (f) The Head of Service to have the opportunity to ask questions of the employee and his/her witnesses.
- (g) The Appeals Panel to have the opportunity to ask questions of the employee and his/her witnesses.
- (h) The employee to have the opportunity to re-examine his/her witnesses (See also the note at (d) above).
- (i) The Head of Service may sum up his/her case.
- (j) The employee may sum up his/her case.

- (k) The Head of Service, the employee and all witnesses will withdraw whilst the Appeals Panel considers the case in private (the Panel's adviser(s) will remain).
 - (l) The Panel may recall either party, with the other party in attendance, to clear points of uncertainty on information already given then both parties will withdraw. The Panel may at its discretion recall witnesses, further witnesses, or adjourn the hearing in order that further information may be produced by either party.
 - (m) When the Appeals Panel has reached a decision the parties will return and the Panel will announce the decision, which will be confirmed in writing within seven working days.
 - (n) In delivering its decision the Appeal Panel shall address each of the selection criteria used and advise whether they are satisfied that each has been applied fairly and consistently using all facts reasonably at the Head of Service's disposal.
- 2.6 In circumstances where the Appeals Panel upholds the employee's appeal, for example on the grounds of the incorrect application of procedures, a lack of consultation or flaws or apparent unfairness in the application of selection criteria, the matter will be referred back to the service unit who will make arrangements for a Senior Officer, who has not been involved in the process so far, to undertake a review. If the review results in no change to the employee affected then the original redundancy notice will continue to apply and there will be no further right of appeal. If the review results in a different employee being selected for redundancy, agreement will be sought from the original employee to withdraw the redundancy notice with support as required from the trade unions.

3.0 **Further Rights of Appeal**

An employee who has completed two years' of continuous service with the Council on the effective date of his/her termination of employment may complain of unfair dismissal to an Employment Tribunal and he/she should consult with his/her trade union or other adviser on that possibility at the earliest opportunity. An application to an Employment Tribunal may be made as soon as the Council has given notice of dismissal and should be received by the Tribunal within a period of three months beginning with the effective date of termination.

Redundancy Appeals/Executive/Oct 2004/VW
Revised 19 September 2007 HAB
 Revised November 2009 and June 2010, September 2011, September 2014
 Further revised June 2016
 Further revised February 2017 and February 2018

Redeployment Policy

1. Introduction

Burnley Council is committed to making every endeavour to mitigate the effect of potential and confirmed redundancies by promoting the redeployment of affected employees to suitable available vacancies wherever possible. We are also committed to the retention and redeployment of employees who can no longer carry out the duties of their job as a result of disability, injury or ill-health.

2. Scope and Purpose of the Policy

The Council has a statutory duty to consider the availability of alternative employment when an employee's current job is at risk of redundancy. The purpose of this policy is to provide the mechanism by which employees in a redundancy situation may be given every opportunity to obtain suitable alternative employment.

The policy will apply to all employees of the Council unless the reason for not doing so can be objectively justified, for example the termination of short term fixed or temporary contracts

The Council's policy on Retention and Redeployment on the grounds of Disability, Injury or Ill-Health is detailed separately at Appendix 3. Employees at risk due to redundancy or capability will be given equal access to redeployment opportunities but disabled employees must not be placed at a substantial disadvantage in comparison with non-disabled people.

3. Alternative Employment

Employees at Risk (Refer to Redundancy Policy)

Where a potential redundancy situation is anticipated Management Team will authorise the commencement of meaningful consultations in order to identify reasonable steps to avoid or minimise redundancies. The Strategic HR Manager must be notified at this stage.

Subject to confirmation, arrangements will then be made for the individual identified as "at risk" to be interviewed by the head of service and a personnel officer. The employee may wish to have their trade union representative or work colleague present. The necessity for the redundancy will be fully explained and discussed with the employee.

It is essential that heads of service adopt a proactive approach to supporting employees at risk. This will include encouragement to apply for any potentially suitable job, including temporary job roles and providing early access to refresher or additional training. The employee may also be asked to complete a job application form to be used in any job matching exercise.

Arrangements will be made by the Strategic HR Manager for the employee to attend job search skills training or otherwise receive advice and counselling as a means of assistance in obtaining alternative employment.

Heads of service must ensure that meetings are held on a regular basis, so that necessary support towards redeployment is made available. A trade union representative or work colleague may accompany the employee at these meetings. It is particularly important to ensure that these meetings take place with an employee at risk of redundancy so that the possibilities of redeployment can be fully explored before termination of employment takes place.

People and Development will ensure that all vacancies are circulated to those employees identified for redeployment.

The employee must be given serious consideration for any suitable vacancy arising before any other internal and external candidates are considered. The test of suitability will be whether the employee could perform the duties of the vacant job given a reasonable amount of training or on the job instruction.

The procedure for dealing with the recruitment and selection process is set out in the next section.

4. Recruitment and Selection Procedure

Slotting in process (pre-advertising)

Consideration may be given to “slotting in” an employee directly into a vacant post if the following conditions apply. This approach can be applied prior to and after the issue of redundancy notices

- a) The vacant job is on the same grade or a maximum of one grade lower, when pay protection would be applied.
- b) The work is broadly similar to that in the employee’s current job role.
(**N B:** reference should be made to the job description and person specification for the old and new job to assess whether this would be similar).
- c) There is only one employee suitable for each vacant post and no competitive selection is necessary.
- d) The ‘at risk’ employee meets the essential requirements of the person specification for the vacant job, or if there is a small training gap, this could be met within a short period, e.g. the acquisition of basic keyboard skills or technical updating by a short course.
- e) There is agreement between the employee, the head of service, the trade union and the Strategic HR Manager
- f) Where agreement is not possible, the post will be advertised in line with the procedure detailed below.
- g) The application of the policy results in a logical reasonable outcome.

Job Matching (pre- advertising)

Job matching is a process of identifying job roles in the organisation that have similar skill requirements which employees who are at risk, could reasonably undertake with additional training. This approach can be applied prior to and after the issue of redundancy notices.

- A completed application form will be forwarded to the People & Development who will try to match the employee against any existing vacancies. Even if the employee does not meet all the essential requirements, then an interview may still take place if it is considered the requirements can be met within twelve months.
- The matching process will only consider vacancies at the same grade or no more than one grade higher or lower than the grade of the employee's job.
- The service unit and a representative from People and Development will interview the employee/s. The suitability of the employee will be assessed in the normal way and, if necessary, a training plan will be prepared to ensure that any training gap is filled as soon as possible.
- If successful the employee will be offered the position under a variation to their contract or as suitable alternative employment.
- The Council's normal policy on pay protection will apply.

Advertising of Vacancies

When a redundancy situation has been declared, or is anticipated, the policy on advertising vacancies internally and externally concurrently will be suspended and the following process of advertising will be followed:

Stage 1 Employees at Risk

Vacancies are to be advertised first to employees who have received notice of redundancy or who have been identified as the subject of consultation with the trade union and to employees seeking redeployment under the policy for Retention and Redeployment Policy on the grounds of Disability, Injury or Ill-Health.

This is to allow them the first opportunity to apply for the vacancy and is termed as "ring fencing".

This will only apply providing that the post advertised is of the same grade, or no more than one grade above the grade of the employee (s) at risk. If this condition is not satisfied, then the process moves to stage 2. Ring-fencing of vacancies does not apply to temporary or fixed term employees who will not have completed at least twelve months service at the date of redundancy.

NB Where employees apply for posts more than one grade below their existing job role, pay protection will be limited to no more than 4 incremental points above the maximum of the lower graded job

Stage 2 Internal Advert

If there are no suitable applicants from the employees at risk or if the post is more than one grade higher than those of the employees at risk, consideration will be given to advertising the post internally if this is likely to release a vacancy lower down the grading structure which could then be slotted/job matched or advertised internally to those at risk. The decision will be made based on the job description and person specification and be confirmed by

Management Team. Comments from the trade unions will be taken into consideration. In any event if the vacant post is graded 11 or above, the vacancy will normally move to stage 3 and be advertised internally and externally concurrently.

Stage 3 External Advert

Where it is not or has not been possible to fill the vacancy internally due to criteria or decisions as detailed at stage 2, or requirement for specialist qualification/experience, the job will be advertised internally and externally concurrently.

Shortlisting

The Council's recruitment and selection procedure for shortlisting should be followed. An employee at risk should be shortlisted where he/she meets the essential criteria as detailed in the person specification of the advertised post. If there is any doubt advice must be sought from People and Development.

Interviewing

Interviews must be held in accordance with the Council's recruitment and selection procedures and interviewers must be clear about the person specification for the job and the extent to which the employee either meets or does not meet it.

Comprehensive records of interviews must be kept so that decisions made can be justified if necessary. Each interviewer should complete an interview record sheet and a consensus decision should also be recorded.

In a redeployment situation People and Development should always be consulted and a personnel officer will normally be included in the panel for any interviews which take place.

5. Offer of Alternative Employment

An offer of alternative employment must be made in writing before employment under the previous contract ends. Employment in the new job must start immediately the notice expires or after an interval of not more than four weeks. Advice on the wording of the offer letter must be sought from People and Development.

If appropriate, the employee may be seconded to the new job before a period of notice in the old job has expired in order to gain more experience of the new situation. This will not, however, form the part of the trial period.

6. Trial Period

An employee who is under notice of redundancy has a statutory right to a trial period of four weeks in an alternative job where the provisions of the new contract differ from the original contract. The trial period will commence on appointment to the new job, normally immediately after the previous contract has ended. The purpose of the trial period is to give the employee the chance to decide whether the new job is suitable without necessarily losing the right to redundancy payment. The Council will also use the trial period to assess the employee's suitability.

A trial period longer than four weeks can be agreed for retraining purposes. This agreement should be in writing, specifying the date on which the trial period ends and setting out the employee's terms and conditions after it ends. If the employee works beyond the end of the four week trial period, or the jointly agreed extended trial period, any redundancy entitlement will be lost because the employee will be deemed to have accepted the new employment.

If the new employment proves to be unsatisfactory during the trial period and is terminated, then the original redundancy will take effect. If the trial period is satisfactorily completed, the original dismissal on the grounds of redundancy is held not to have taken place and continuity of employment is unbroken.

Trial periods can obviously be a stressful time for employees who will need understanding and encouragement. The progress of the employee throughout the trial period should be closely monitored by way of mutual reviews with the head of service or designated substitute at weekly intervals, with support and counselling offered where appropriate. A decision to terminate employment at the end of the trial period for unsuitability should be taken only after careful, detailed consideration and discussion with People and Development.

7. Remuneration And Conditions Of Employment

The Council currently operates a policy, which protects an individual's pay where he/she is redeployed to a lower graded post, as a result of redundancy.

Where an employee is redeployed to a lower graded post and protection is applied, he/she can be expected to carry out duties commensurate with the level of protection as and when required.

In view of the protection he/she would also be expected to apply for suitable vacancies more appropriate to the protected salary as and when they become vacant.

The current agreement on pay protection is set out in Appendix 4

Redeployment Policy November 2009

Updated September 2014, February 2017 and February 2018

Retention and Redeployment Policy

Disability, Injury or Ill-Health

1. Scope

This policy provides guidelines on the retention and redeployment of employees who can no longer carry out the duties of their job as a result of disability, injury or ill-health.

The Council intends, wherever possible, to retain such employees in their own post, to offer them comparable employment or to redeploy them into a more suitable post of equal status. This post will be no more than one grade above the employee's current post.

2. Legal Requirement

The Equalities Act 2010, places an obligation on the Council to take reasonable steps to ensure that disabled people are not placed at a substantial disadvantage in comparison with non-disabled people. Examples of the types of reasonable adjustments employers are expected to consider are detailed below.

3. Retention of Employees in their Current Post

We will make every effort to retain an employee in his/her current post or where this is not possible, to redeploy him/her into an appropriate post of equal status, preferably within the same service unit.

In the event of an employee becoming unable to perform all or part of the duties of his/her current post, retirement on the grounds of ill-health will only be considered as a last resort and will be subject to the agreement of the Council's Occupational Health Consultant.

Where it becomes apparent that an employee is no longer able to fulfil all or part of the duties of their current post, for reasons of disability, ill-health or injury, their manager should meet with them to discuss the situation. It is essential that the issue be handled sensitively and confidentially. Consultation should take place, at every stage, with the employee concerned together with a chosen representative (e.g. trade union representative, or work colleague). In appropriate circumstances a close family member may be permitted to attend to support the employee.

In accordance with the Equality Act, managers should consider making the following reasonable adjustments to enable the employee to continue in employment. However, this is not an exhaustive list and other alternatives should also be considered where appropriate.

For guidance on managing the attendance of employees with disabilities, please refer to the Managing Attendance Policy and Guidelines and the Tailored Adjustment Agreement in the personnel manual.

Reasonable Adjustments:

- making adjustments to premises i.e. where cost is not an unreasonable factor;
- allocating some of the disabled employee's duties to another person*;
- agreeing a change to the employee's working hours;

- assigning the employee to a different place of work;
- allowing the employee to be absent during working hours for rehabilitation, assessment or treatment (see Disability Leave below);
- additional training;
- acquiring or modifying equipment;
- modifying instructions or reference manuals;
- modifying procedures for testing or assessment;.
- providing a reader or interpreter;
- providing additional supervision;
- transferring the employee to fill an existing vacancy (see Redeployment Section below).

*In cases where other employees will be affected, e.g. if duties are to be reallocated, it is important to consult all affected employees and their representatives.

The Council has a number of schemes, including V-time, flexitime, job share, part-time working and homeworking, which should be considered in assisting an employee to continue in employment.

In some cases it may be appropriate to involve advisers from the Department of Work and Pensions (DWP) in undertaking assessments to determine appropriate, reasonable adjustments in addition to Occupational Health. The advisers can often assist in funding adjustments under the Access to Work Scheme.

<https://www.gov.uk/government/publications/access-to-work-guide-for-employers>

People and Development (P&D) is available for advice and support on all issues related to retention and redeployment.

4. Redeployment

Recruitment and selection will be managed as detailed in the Redeployment Policy. Employees will be considered for redeployment alongside those who are at risk of redundancy taking into account any reasonable adjustments that may be required.

At all stages in the redeployment procedure the employee concerned, together with his/her representative must be consulted. Discussions of this nature must be handled in a sensitive and confidential manner.

Once all parties are agreed that a return to the employee's current post is not appropriate then, wherever possible, the employing service unit is responsible for finding a suitable alternative post within their own unit.

Redeployees should be considered for all appropriate vacancies arising within the unit before they are generally advertised using the slotting in or job matching process. They should not necessarily be expected to meet all the essential criteria on the person specification. The recruiting panel should instead consider whether or not the individual has the potential to undertake the duties of the post with the necessary training and support and within an agreed timescale. If necessary, reasonable adjustments to the duties and associated essential criteria should also be considered at the interview stage in order to comply with the Equality Act.

If it is not possible to redeploy an employee within the employing service unit the head of service should contact P & D for assistance in redeploying the employee into another service unit. P & D must be satisfied that the employing service unit cannot find anything suitable.

In accordance with the provisions of the Equality Act a reasonable adjustment to consider would involve transferring an employee to a more suitable post under the slotting/job matching process including any necessary reasonable adjustments. Advice should be sought at this stage, to arrange for a referral to Occupational Health and to seek guidance from a disability adviser from the Department of Work and Pensions.

Redeployees will be considered first for suitable, alternative posts before they are generally advertised, alongside employees at risk of redundancy, using the agreed procedures in under Section 4 of the Redeployment Policy. They should not necessarily be expected to fulfil all the requirements of the person specification immediately. Reasonable adjustments to the duties and associated essential criteria will also be considered where necessary.

If an employee is redeployed to a post at a lower grade the Pay Protection Policy will be applied.

Once it is has been agreed that redeployment is the best option for the employee, People and Development will continue to try and find a suitable vacancy for a period of up to 12 weeks after the employee has been declared fit to return to work. This period may be extended dependent on the circumstances and in agreement with the Chief Operating Officer.

5. Redeployment Opportunity Not Identified

If a suitable vacancy does not arise within the agreed period the employee will be referred to the Occupational Health Unit to be considered for retirement on the grounds of ill health.

If the Occupational Health Consultant is unable to certify entitlement to early release of superannuation benefits on the grounds of ill-health, or if a suitable job offer is unreasonably refused, or if no suitable, alternative employment is available, it will be necessary to review the continued employment on the grounds of capability. This will be dealt with in accordance with the Capability Section of the Council's Disciplinary Procedure (see Managing Attendance Policy).

6. Register of Reasonable Adjustments

All reasonable adjustments that relate to an employee must be reported to People and Development to be recorded on the employee's personal record. This will assist the Council to demonstrate, if challenged, the extent to which it has made reasonable adjustments. It will also help to monitor the cost of making such adjustments.

The employee and manager will complete a Tailored Adjustment Agreement that will provide a living record of reasonable adjustments agreed between the disabled employee and his/her line manager.

7. Monitoring

Statistics relating to reasonable adjustments will be incorporated into People and Development's reporting and information processes.

8. Complaints

If an employee feels that he/she has been unfairly treated at any stage of this procedure, the Council's Grievance Procedure may be invoked.

9. Disability Leave Scheme (DLS)

The Disability Leave Scheme provides newly disabled employees or a disabled employee whose condition has significantly deteriorated with a period of time off work to adjust to the change in personal and professional circumstances. During the leave the employee is able to assess their disability or condition and how it affects their job role, bridging the gap between sickness and a return to work. It will cover the period between the end of sick leave, when the employee is judged as fit to return to work, and the employee's actual return.

The DLS provisions cover all existing employees, full-time and part time. There is no qualifying period although each case will be considered on its own merits.

The DLS is not intended to burden services but is about ensuring good practice in the workplace, creating an environment where employees are willing to discuss their disability and where disabled employees and their managers can proactively assess how the employee can remain in work.

Its purpose is to enable the employee to participate in an assessment of the changes required in their job or work environment, and/or to become familiar with new techniques and processes. It can also allow time for:

- providing time to adjust to the change in personal and professional circumstances;
- reassessing current job role, adjustments or alternative opportunities;
- adaptations to the work environment;
- equipment to be put in place and/or assessment of how it can be funded;
- undertaking a programme of rehabilitation and training on the job or residential centre;
- discussions with specialist Disability Employment Advisers or Occupational Health to plan the way forward;
- assessing/clarifying if the employee will be able to return to his/her previous employment or be redeployed to another post or if an application for ill health retirement should be pursued.

The Managing Attendance Policy already allows for a period of up to 4 weeks therapeutic return. In addition employees may also have an accumulated balance of annual leave, some of which could be used to extend the therapeutic process. The DLS can be applied where significant changes/additional assessments are required for reasons as detailed above. In practice some of the above assessments may also take place whilst the employee is still on sick leave.

If, following a careful process of formal and informal consultation and the DLS is considered appropriate, the Chief Operating Officer, Head of Service and Strategic HR Manager can allow up to 4 weeks additional leave to assist in the adjustment process. The leave will be paid at the usual salary and noted on the employee's personal and leave records.

During the leave, arrangements should be made for an employment assessment to be carried out by a competent organisation before any decision is made about the employee's future e.g. Disability Employment Adviser and Occupational Health Consultant in consultation with People and Development. This assessment is intended to clarify/quantify/put in place the rehabilitation required, the time this will take, the equipment/adaptations required and how this can be funded.

It is important that assessments and resulting action plans, necessary training and medical advice are closely monitored and co-ordinated to make best use of the additional leave. This will be the responsibility of People and Development.

People and Development will make a record of:

- the employee details and the nature of their disability;
- the assessments undertaken;
- the detail and cost of equipment required and provided;
- the detail and cost of any rehabilitation/training;
- period of DL;
- cost of any temporary cover;
- other quantifiable costs;
- quantifiable savings – e.g. decreased retirement costs, savings on recruitment or induction training of new staff.

Retention and Redeployment Policy February 2018
Last reviewed February 2017/HAB

BURNLEY COUNCIL

Pay Protection Policy

The Council's policy on pay protection, applicable to employees on National Joint Council (NJC) terms and conditions is as follows:

1. Protection will be limited to no more than 4 incremental points above the maximum of the lower graded job.
2. The employee will accept additional duties and responsibilities beyond the scope of the lower graded job description up to the value of the protection.
3. The employee will continue to seek employment within the Council at a higher grade when this becomes available so the cost of protection is reduced. The original limits on protection will still be applicable.
4. When assessing protection limits for an employee in receipt additional payments, the figure for comparison will include other payments and will be made to the nearest equivalent spinal column point.
5. Protection will be on the following basis
 - Year 1 – 100% cash protection*
 - Year 2 – 66% protection.
 - Year 3 – 33% protection
 - Year 4 and beyond – no protection.

*Cash protection means that pay is frozen at the time of redeployment with no further increments or annual pay rises being paid. The percentages referred to are of the difference between the pay in the old and new job.

6. **Conditions of Protection**

Subject to the overall protection limit detailed in para 1 above

- a) Protection will apply to contractual overtime and the following locally agreed additional pay enhancements encompassing
 - Shift allowance
 - Irregular hours payment
 - Weekend enhancements

[To qualify for this protection the employee must have been in receipt of the additional payment for 12 months or more. This protection would only apply in redeployment situations.]

- b) Protection will not be applied to standby/call out payments or irregular overtime.

Personnel Committee 19.1.99/Amended 2004/JB
 Last reviewed (no changes) October 2017
 Next review November 2020

Burnley Borough Council

Statement of Pensions Policy

Introduction

1. This Statement outlines the Council's Policy with regard to the payment of pension benefits. The statement has been formulated following full consultation with the Trade Unions and reflects the Local Government Pension Scheme Regulations 2013 as amended and the discretions adopted by the Council.

Retirement

2. The Local Government Pension Scheme's normal pension age (NPA) is equal to the employee's individual State Pension Age (SPA). Employees can retire and receive their benefits without any reductions at this date. Further information on the SPA can be found at www.gov.uk/calculate-state-pension
3. Employees are able to retire at anytime from age 55 onwards without the Council's consent but their benefits may, dependent on age and service, be reduced to reflect the early payment. Further information on the reductions can be obtained from www.yourpensionservice.org.uk.
4. Employees are able to join and remain in the scheme up until 2 days before their 75th birthday. Benefits for employees who defer drawing benefits beyond their NPA will be actuarially increased to reflect the fact that they will be paid for less time.
5. With effect from 1st April 2014 pension benefits are calculated on a Career Average Re-valued Earnings (CARE) Scheme formula. A CARE pension works by taking a 1/49th of an employee's annual pensionable salary and then adds this into a pension pot. This pension pot then increases each year in line with CPI. Further information on the calculation of pension benefits can be found at <https://www.lgpsmember.org/>

Early Retirement with Redundancy (compulsory or voluntary)

6. Redundancy Payments will be calculated according to the Employment Rights Act 1996, but improvements to these are permitted. These improvements require that all continuous Local Government Service will be aggregated and also provide Local Authorities with the discretion to lift the limitation on the amount of "a week's pay" for redundancy payment calculation purposes from the normal statutory limit to the employee's actual weekly wage/salary. The Council has decided to use the discretion to base redundancy payments on the actual week's pay, if higher than the statutory limit.
N.B. Actual salary will normally be basic salary plus any regular salary enhancements paid over the preceding 12 week period. Actual salary will not include the employer pension contribution
7. Only completed years count for the purpose of calculating a redundancy payment.
8. Employees who are aged 55 or over at the date of redundancy (with two or more years membership of the Pension Scheme) are entitled to early payment of pension and lump sum under the Local Government Pension Scheme Regulations 2013.

Note: Voluntary Early Retirement with Redundancy can only be granted if there is a substantial saving to the Council in allowing the employee to leave. The

saving from an early retirement must be sufficient to pay back the full capitalised cost over no longer that a 5 year period. The saving will usually involve the net loss of a post but the retirement must satisfy the statutory definition of redundancy.

Retirement in the Interests of Efficiency of the Service

9. The Council is able to retire an employee who is over 55 in the interests of efficiency of the service. The following factors will be used upon which to judge the merits of each case:
- a) The benefits in increased efficiency, for example, in service delivery or to facilitate changes to the organisation.
 - b) Any savings that will accrue.
 - c) Health grounds, where retirement on medical grounds or dismissal on capability grounds are not appropriate.
 - d) Compassionate grounds.

Ill-Health Retirement

10. The 2007 Regulations introduced a 3-tier system of ill-health retirement which will be applied dependant on the assessment of the Occupational Health practitioner as to the prospect of the employee obtaining gainful employment before their normal pension age (NPA) as follows:

Tier 1	No reasonable prospect of the employee obtaining gainful employment due to ill-health before NPA
Tier 2	Cannot obtain gainful employment within reasonable* period of leaving due to ill-health but likely to be able to do so before NPA
Tier 3	Can obtain gainful employment within reasonable* period of leaving

* Defined as 3 years

11. Ill health retirement benefits will be paid in conjunction with the Pension Regulations as follows:

Membership							
< 2 years	Refund or transfer out						
2 years and over	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Tier 1</td> <td>Immediate 100% enhanced</td> </tr> <tr> <td>Tier 2</td> <td>Immediate 25% enhanced</td> </tr> <tr> <td>Tier 3</td> <td>Immediate no enhancement</td> </tr> </table> <p>* The enhancements will be based on the period to the employees SPA (or age 65 if later)</p>	Tier 1	Immediate 100% enhanced	Tier 2	Immediate 25% enhanced	Tier 3	Immediate no enhancement
Tier 1	Immediate 100% enhanced						
Tier 2	Immediate 25% enhanced						
Tier 3	Immediate no enhancement						

12. Where a former employee is certified as Tier 3 they are required to inform the Council of any employment taken up, whether local government or not. Where gainful employment has not been found by 18 months following termination, the Council will refer the former employee to the Council's Medical Advisor for an opinion as to whether the former employee is capable of undertaking any gainful employment. Depending on their assessment the pension could either be suspended until their SPA or may be upgraded to tier 2.

13. The Council will not terminate employment on ill-health grounds without the recommendation of the Council's Medical Advisor. Further details can be obtained from the Council's Managing Attendance at Work Policy.
14. The formula for the calculation of benefits in ill-health retirement situations is the same as for retirement.

Auto Enrolment

15. Burnley Borough Council implemented the Government's Auto-Enrolment scheme from 1 June 2013. This means that all employees who meet the following criteria will be automatically enrolled into the Local Government Pension Scheme:
 - Earning over £10,000 per year
 - Aged 22 or over and are under State Pension Age and
 - Are not currently in a pension scheme
16. Auto-Enrolment takes place every 3 years. Employees that are auto-enrolled do have the opportunity to opt out. Further information on auto-enrolment into the LGPS can be found at:
<http://www.yourpensionservice.org.uk>

Flexible Retirement

17. The Local Government Pension Scheme allows scheme members aged over 55 to draw their retirement benefits even though they have not retired providing:
 - The employer consents and
 - There has been a reduction in hours or a reduction in grade equivalent to a minimum of 40%.
18. Where such a request is approved employees will receive payment of their pension (and lump sum if appropriate). Employees may also continue paying into the LGPS to build up further benefits. Further information is available in the Council's Flexible Retirement Scheme.

Contribution Rates

19. The Local Government Pension Scheme 2013 state that employee contribution rates are to be banded and assessed on actual pay as at the day of assessment.
20. Casual workers who are members of the scheme will be re-banded on a monthly basis using exact earnings x 12 to reach an annual pensionable pay figure on which to base individual employee contribution rates.
21. All pensionable pay (including non-contractual overtime and pay protection) will be included in the calculation of employee contribution rates.
22. The Council has adopted the discretion that where there is a material change in pensionable pay the contribution rate will be re-determined.

Limitation of Payments

23. If a person who is in receipt of a pension under the Local Government Pension Scheme Regulations in respect of an ill-health retirement, is re-employed within the Service, he/she will be subject to pension abatement rules contained in the Local Government Pension Scheme Regulations 1997 and the Local Government (Early Termination of Employee) (Discretionary Compensation) (England and Wales) Regulations 2000. Where appropriate, the employee's pension will be adjusted to ensure that his/her combined income will not exceed the income that would apply had he/she remained in the former employment.

Discretions not adopted

24. For employees with membership prior to March 2014, under the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, the Council will not award a scheme member an additional period of membership at any time. This discretion has been removed from the 2014 scheme.
25. Under the Local Government Pension Scheme Regulations 2013, the Council will not award a scheme member an additional pension.
26. Under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011 the Council will not operate an Injury Allowance Scheme.
27. Under the Local Government Pension Scheme Regulations 2013, the Council will not fund additional pension via a Shared Cost Additional Pension Contribution (SCAPC) contract, either by regular ongoing contribution or one-off lump sum.

Note: Where an employee has had a period of unpaid additional maternity, paternity or adoption leave or a period of authorised unpaid leave (including the purchase of additional leave) and makes an election to purchase the full amount of the lost pension within 30 days of their return to work, the Council will fund 2/3rds of the cost of the purchase. (In the case of buying additional leave the election should be made within 30 days of the purchase being approved)

28. Under the Local Government Pension Scheme (Transitional Provisions, Savings and Amendments) Regulations 2014, the Council will not apply the Rule of 85 protection to any scheme member who wishes to voluntarily draw benefits on or after 55 and before age 60. The protection aged 60 and above is subject to the note below.

Note: In October 2006 the government removed 'the 85 year rule' from the pension scheme rules. Members aged 60 and above who meet the Rule of 85 but who wish to take their pension benefits before their NPA may still have a benefit reduction applied subject to certain protections. Further information on the Rule of 85 protections can be found in the Protections leaflet at http://www.yourpensionservice.org.uk/local_government/

Transfer of Pensionable Service

29. New entrants to the Lancashire Scheme are advised that they have 12 months to request a transfer of previous service from another scheme. Individual applications by employees of Burnley Borough Council for transfers into the LGPS that are beyond the first 12 months of active membership of the scheme are referred to the Strategic HR Manager to be dealt with under delegated powers. The Head of Finance & Property will be consulted in the use of this delegation. The circumstances of each case will continue to be considered on an individual basis, but with reference to the following principles:

Generally applications will only be approved if:

- No previous option was given to the member due to an administrative error (e.g. service declared but the transfer quotation had never been requested).
- There has been an administrative delay in processing the initial request, which was received within the initial 12 months of active membership.
- There are exceptional circumstances that have prevented the employee from exercising their option within 12 months of active membership of the scheme.

Payment of Deferred Benefits

30. If you leave your employment as a result of redundancy or efficiency and you are aged 55 or over, you will receive immediate payment of any pension benefits relating to that employment. If you have previously chosen to combine an earlier deferred period of employment with the employment from which you are being made redundant, any pension you receive will be based on all your service. If, however, you have chosen to leave your benefits separate, any pension and lump sum you receive will relate only to service in the later employment. You will not normally be able to receive payment of any deferred benefits until your NPA. Further information on deferred benefits is available at www.yourpensionservice.org.uk

Early Release of Benefits for former employees on ill-health grounds

31. Preserved benefits are payable if the authority (as the former employer) is satisfied (based on the opinion of a medical officer suitably qualified in occupational health) that the individual is permanently incapable of discharging efficiently the duties of his/her former employment. In these cases there would be no ill-health enhancement and no reduction in benefits.
32. The LGPS (Miscellaneous) Regulations 2012 now allow a former employee who has had their Tier 3 benefits suspended to request early release of their suspended pension benefits on ill-health grounds after age 55 and before age 60 but only if they are “permanently incapable of undertaking any gainful employment”. The ill-health condition can be a new condition or the same one which has deteriorated. The assessment will be made by the Council’s Medical Advisor. In these cases any reduction in benefits could be waived at the Council’s discretion. This decision will be taken by the Executive Member for Resources and Performance Management and Chief Operating Officer based on the individual circumstances.

Policy for Release of Benefits on Compassionate Grounds

33. Preserved benefits (other than for ill health cases) would only be released if an ex-employee's personal circumstances are such that the Authority agrees that he/she is prevented from working by the need to provide full-time care for a husband/wife/partner/son/daughter who is suffering from a terminal or chronic illness and this results in financial hardship for the family.

The decision to release preserved benefits on compassionate grounds will be taken by the Strategic HR Manager in consultation with the Head of Finance & Property and Executive Member for Resources and Performance Management.

In these circumstances any reduction in benefits could be waived at the Council’s discretion. This decision will be taken by the Strategic HR Manager in consultation with the Head of Finance & Property and Executive Member for Resources and Performance Management.

Pension Tax Relief

34. With effect from April 2014 the annual allowance for tax relief purposes is £40,000. This means that employees who receive a significant pay increase may need to pay tax on any contributions in excess of the annual allowance. This is only likely to affect higher earners but the Council recommends that employees who think they may exceed the annual allowance seek specialist advice from an independent financial advisor. Further information on the calculation of annual allowances can be found at www.yourpensionservice.org.uk

Further Information

35. Further information on the payment of pension benefits outlined in this statement can be obtained from the People and Development Unit (ext 7124).
36. Your Pensions Service administer the Local Government Pension Scheme on behalf of Burnley Borough Council and can be contacted on 0300 323 0260 (helpdesk) or by email AskPensions@localpensionspartnership.org.uk or via the website www.yourpensionservice.org.uk



Gender Pay Gap Report

March 2019

Foreword

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires public sector organisations with 250 or more employees to publish information to demonstrate how large the pay gap is between their male and female employees. Whilst we do not meet the threshold of 250 employees the Council has taken the decision to continue to publish this data.

I can confirm that our data has been calculated according to the requirements of the Equality Act 2010.

Mick Cartledge
Chief Executive

Background

The information contained within this report is based on a snapshot date of 31 March 2018. At this date our workforce comprised of 56% male and 44% female employees.

For the purposes of reporting the gender pay gap, all permanent, temporary and casual employees are included in the total workforce figure of 238.

This analysis looks at the gender pay differences within Burnley Council, focusing on the overall pay difference between the male and female workforce. A positive pay gap indicates that men are paid more, a negative pay gap indicates that women are paid more.

The gender pay gap is different to equal pay. Equal pay relates to men and women receiving equal pay for equal work and not meeting this requirement is unlawful. The Council operates job evaluation schemes to ensure that work of equal value is paid at the same rate. The gender pay gap is a measure of any disparity in pay between the average earnings of males and females.

The regulations require us to report on:

Mean gender pay gap	The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees
Median gender pay gap	The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees
Mean bonus gap	The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees
Median bonus gap	The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees
Bonus proportions	The proportions of male and female relevant employees who were paid bonus pay
Quartile pay bands	The proportions of male and female full pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands

The overall gender pay gap is defined as the difference between the median (actual mid-point) or mean (average) basic annual earnings of men and women expressed as a percentage of the median or mean basic annual earnings of men

Gender Pay Gap – 31 March 2018

Mean

Average hourly rate of pay and the percentage difference between



£14.59

GAP

4.70%
£0.72



£15.31

Burnley Council's mean gap is lower than the national average of 17.1%*

* Annual Survey of hours and Earnings 2018 (Office for National Statistics)

Median

Middle hourly rate of pay and the percentage difference between



£13.82

GAP

5.47%
£0.80



£14.62

Burnley Council's median gap is lower than the national average of 17.9%*

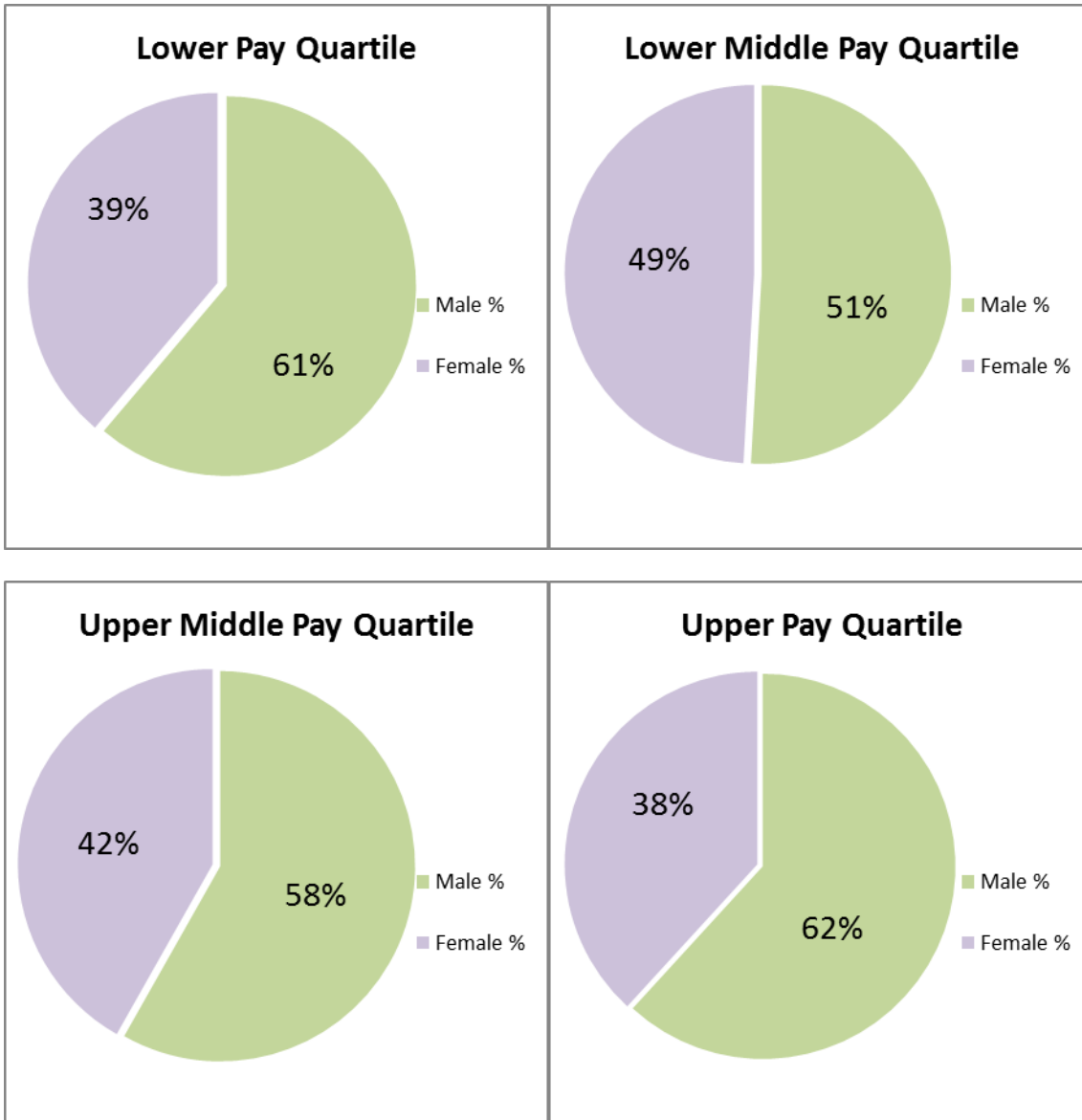
* Annual Survey of hours and Earnings 2018 (Office for National Statistics)

Bonus Gap

Burnley Council does not operate any performance related pay or bonus scheme and therefore has no bonus gender pay gap

Quartile Pay Bands

These graphs show the workforce composition in each pay quartile. The proportions in the lower and lower middle pay quartiles do generally reflect our gender workforce profile. However, there are more men in the upper quartiles.



Analysis

- Latest figures suggest that the median gender pay gap across the public sector is 19% and the figure across all industries in Lancashire is 20.8% with Burnley at 7.5%. The Council compares favourably with these statistics.
- The Regulations require the hourly rate to be calculated as ordinary pay which includes basic pay and allowances as well as deductions for benefits provided through salary sacrifice schemes. It does not include overtime payments or pension contributions. Burnley Council operates salary sacrifice schemes for childcare vouchers and the purchase of bicycles. It also allows employees to purchase up to 10 days additional leave per year. The gender proportion of our employees who take-up these benefits is below:

	Male	Female
Childcare Vouchers	4.5%	7.6%
Cycle Scheme	0.0%	0.0%
Bought Additional leave	3.0%	13.3%

Participation in these schemes does result in a lower reported hourly rate and as more women than men take advantage of these it could have a disproportionate effect on the calculations. Calculating the hourly rate before taking any allowances or deductions into account results in a mean gender pay gap of 3.9%.

- As at the snapshot date of 31 March 2018, 37.5% of our senior management team were female.

Taking Action

Burnley Council is committed to fair pay irrespective of gender. We already have the following in place:

- Support for employees through application of flexible working policies
- An anonymised recruitment process where all equality monitoring information (including that related to gender) is removed to reduce the potential for unconscious bias
- Learning and development programme which provides employees with opportunity to meet their full potential eg. Talent Management. Our 2018 cohort comprised of 66% female and 33% male.

We will prioritise the following areas for action:

- Explore how we can attract more women into our organisation to create a more even gender balance across the grading structure. As an equal opportunities employer, we firmly believe in appointing the best candidate into the role, regardless of their gender or other factors covered by the Equality Act.
- We will continue to actively encourage flexible working across the organisation to ensure that all employees have the opportunity to work in a way that works for their career aspirations and work/life balance.

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Appointment of Mayor and Deputy Mayor 2019/20

REPORT TO FULL COUNCIL



DATE	20/02/2019
PORTFOLIO	Leader
REPORT AUTHOR	Imelda Grady
TEL NO	01282 477258
EMAIL	cgay@burnley.gov.uk

PURPOSE

1. To report on the position relating to the appointment of the Mayor and Chair of the Council and Deputy Mayor and Vice-Chair of the Council for the municipal year 2019/20.

RECOMMENDATION

2. That the position on the appointment of Mayor and Chair and Deputy Mayor and Vice-Chair for the municipal year 2019/20 be noted.

REASONS FOR RECOMMENDATION

3. To allow arrangements to be made for the installation of the Mayor and Deputy Mayor for 2019/20.

SUMMARY OF KEY POINTS

4. The Council's policy on the appointment of the Mayor states:

“That the office of Deputy Mayor/Mayor elect shall be offered each year to the member of the Council having the longest continuous service”.

This allows for the current Deputy Mayor to become the Mayor the following year.
5. The Head of Legal and Democratic Services has delegated authority to deal with the invitations for the appointment of the Mayor/Deputy Mayor in accordance with the Council's normal policy and report the outcome at a future meeting of the Council.
6. The current position is that Councillor Anne Kelly has accepted the Council's invitation to become Mayor and will undertake the Office of Mayor and Chairman of the Council for the 2019/20 municipal year.
7. Councillor Cosima Towneley has accepted the Council's invitation to become the Deputy Mayor/Mayor elect for the 2019/20 municipal year.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

8. None

POLICY IMPLICATIONS

9. This matter has been dealt with in accordance with the Council's policy.

DETAILS OF CONSULTATION

10. Member Structures and Support Working Group

BACKGROUND PAPERS

11. None

FURTHER INFORMATION

PLEASE CONTACT:

Imelda Grady

ALSO:

Catherine Waudby

Calendar of Meetings 2019/20

REPORT TO FULL COUNCIL



DATE	20/02/2019
PORTFOLIO	Leader
REPORT AUTHOR	Eric Dickinson
TEL NO	01282 477256
EMAIL	edickinson@burnley.gov.uk

PURPOSE

1. To consider a Calendar of Meetings for 2019/20.

RECOMMENDATION

2. That a Calendar of meetings for 2019/20 be approved based on a 12 week cycle (Appendix 1).

REASONS FOR RECOMMENDATION

3. To ensure that the Committee structure is proportionate to the budget, size and business of the organisation.

SUMMARY OF KEY POINTS

4. Full Council cycle

Currently Full Council operates on a 12 weekly cycle.

The Annual/Appointments meeting in May and the Budget meeting in February are statutorily required. Over the last few years "other" business has also been conducted at these meetings.

Other Full Council meetings in July, September, and December also now deal with both Budget Monitoring (quarterly) and changes to the Budget for the following year (Sept and Dec).

Member Structures Working Group have agreed in principle that as much business as possible will be dealt with at the February Full Council (e.g. Committee calendar, Appointment of Mayor/Deputy Mayor Elect) so that there may not be a specific business need to hold the April Council.

(A budget item arising from the March Executive could potentially be dealt with at the Annual/Appointments meeting in May).

However it is proposed that the April meeting will still be included in the Calendar.

The above would result in no change to the current 12 week cycle.

5. Executive

It is proposed that the current 6 week cycle for the Executive continues.

It should be recognised that when Executive Urgency procedures have to be followed due to an Executive meeting being too distant, then there is a cost in Officer time (dictated by statutory arrangements) to publish relevant additional Notices, liaise with the Scrutiny Chair, and report retrospectively Urgent Officer Executive Delegations to the Executive and Full Council.

6. Scrutiny Committee

It is proposed that the current approach continues.

7. Audit and Standards Committees

It is proposed that the current quarterly meetings approach continues

8. Licensing Committee and Licensing Sub Committees

The 15 member Licensing Committee is scheduled to meet 4 times each year. In the first cycle after May it establishes the Sub Committees, in the February cycle it sets fees, and during the year it is scheduled to meet twice more to consider other policy items as required. When there has been insufficient business, then the meetings have been cancelled.

Legislation requires it to have between 10 and 15 Members, and currently there are 15.

There are two Sub Committees, one for Taxis (7 Members) and the other for alcohol and licensed premises (3 Members), both picked from a Pool of all Licensing Members. Both Sub Committees can potentially have daytime and evening meetings, although practise has been to have daytime meetings to assist the trade.

Proposal – No change to the current arrangements.

9. Development Control

It is proposed that these 4 weekly meetings continue, due to statutory deadlines.

10. Member Training

Member training has over the past year commenced at between 5pm and 6pm, in particular prior to Committee meetings in order to maximise attendance.

Proposal- to commence Member Training no later than 6pm

11. Times of formal Committee meetings

Over recent years Full Council has successfully moved from 7pm to 6.30pm.

It is recognised that Full Council currently involves pre-meeting briefings from 5pm to 6.15pm, and that the Executive has a pre-meeting at 6pm.

It is also recognised that for Members and for the public who work out of town, start times before 6.30pm may be challenging.

In order to consider whether it was feasible to enable the working day to be shortened for Officers, Members, and the Public, consultation has taken place with Members about the scope to commence any formal Committee meetings prior to 6.30pm.

The feedback from Members was that there were a number of differing views regarding commencing Committees prior to 6.30pm.

Proposal – No change to the current arrangements.

12. Recommendations for 2019/20

An attached 2019/20 calendar has been drafted based on a 12 week Full Council cycle (Appendix 1) and the proposals outlined in the report.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

13. None.

POLICY IMPLICATIONS

14. It is good practice to review arrangements for the discharge of the Council's functions from time to time to ensure they maintain the right balance between efficiency, economy and effectiveness

DETAILS OF CONSULTATION

15. Democracy Team/Head of Finance/Management Team/
Head of Housing and Development Control/Licensing Team/
Head of People and Development.
Member Structures and Support Officer Group.
Member Structures and Support Working Group.

BACKGROUND PAPERS

16. None.

FURTHER INFORMATION

PLEASE CONTACT:

ALSO:

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Municipal Year 2019/20

2019 MAY										JUN					JUL					AUG				
Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri					
		1	2 ELEC	3	3	4 E	5 LIC	6	7	1	2 E	3	4	5				1	2					
6 Bank Hol	7	8 MW	9	10	10	11	12	13	14	8	9	10 CL	11	12	5	6	7	8	9					
13	14	15 ANNUAL COUNCIL	16	17	17	18 PLBCE	19	20	21	15	16	17 ASC	18	19	12	13 E	14 LIC	15	16					
20 LT	21	22	23	24	24	25	26 S	27 MSSWG DC	28	22	23	24	25 DC	26	19	20	21	22 DC	23					
27 Bank Hol	28	29	30 DC	31						29	30	31 MW			26 Bank Hol	27	28	29	30					

2019 SEP					OCT					NOV					DEC				
Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri
2	3 PLBCE (TBC)	4 MW	5	6		1	2 MW	3	4					1	2	3	4	5 MSSWG	6
9	10	11	12 MSWG	13	7	8	9	10	11	4	5	6	7	8	9 S	10 E	11	12 DC	13
16 S	17 E	18 ASC	19 DC	20	14	15	16	17 DC	18	11	12	13	14 DC	15	16	17	18 CL	19	20
23	24	25 CL	26	27	21	22	23 LIC	24	56	18	19	20	21	22	23	24	25 Xmas Day	26 Boxing Day	27
30					28	29 PLBC (TBC) E	30 MW			25	26	27	28	29	30	31			

Municipal Year 2019/20

2020 JAN					FEB					MAR					APR				
Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri
		1	2	3	3 SPMW	4	5 MSSWG	6 S	7	2	3	4 ASC	5	6			1	2	3
6	7	8	9	10	10 BE	11	12	13 DC	14	9	10	11 S	12	13	6	7	8 CL	9	10 Good Friday
13	14	15 ASC	16	17	17	18	19 BCL	20	21	16	17 E	18	19 DC	20	13 Easter Monday	14	15	16	17
20	21 PLBCE (TBC)	22	23 DC	24	24	25	26 LIC	27	28	23	24	25	26 MSSWG	27	20	21	22 E	23 DC	24
27	28	29	30	31						30	31				27	28	29	30	
2020 MAY					JUN					JUL									
Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri	Mon	Tues	Wed	Thurs	Fri
				1	1	2 E	3 LIC	4	5			1	2	3					
4 Bank Hol	5	6 MW	7 ELEC	8	8	9	10	11	12	6	7	8 CL	9	10					
11	12	13 ANNUAL COUNCIL	14	15	15	16 PLBCE (TBC)	17	18	19	13	14	15 ASC	16	17					
18	19	20	21	22	22	23	24 S	25 MSSWG DC	26	20	21	22	23 DC	24					
25 Bank Hol	26	27	28 DC	29	29	30 E				27	28	29	30	31					

Page 6 of 8

CL	Full Council	- 6.30pm	SPMW	Special Member Workshop (Budget)	- 6.30pm
DC	Development Control Committee	- 6.30pm	S	Scrutiny Committee	-6.30pm
E	Executive	- 6.30pm	ASC	Audit and Standards Committee	- 6.30pm
MW	Member Workshop	- by 6.00pm	LIC	Licensing Committee	- 6.30pm
BE	Budget Executive	-6.30pm	MSSWG	Member Structures and Support Working Group	- 4.30pm
BCL	Budget Council	-6.30pm	PLBCE	Pennine Lancashire Building Control Executive	-4.30pm
SPCL	Special Full Council	-6.30pm			
SPE	Special Executive	-6.30pm			

Criteria for Calendar

1. Based on a general 12 week cycle or half cycle for Full Council, within Annual and Budget reporting needs (Xmas/New Year weeks excluded).
2. 6 week cycle for Executive within above parameters
3. 6 week cycle for Scrutiny within above parameters- 1 meeting per cycle being S
4. 10 week cycle for Licensing within above parameter
5. Approximate 12 week cycle or half cycle for MSSWG, within Annual and Budget reporting needs with Xmas/New Year weeks excluded
6. 4 weekly cycle for Development Control
7. Quarterly cycle for Audit and Standards in combined meeting, to meet as ASC
8. Quarterly cycle for PLBCE (no change)
9. Combine Ordinary Feb Executive and Council meetings with Budget Executive and Budget Full Council meetings-no change.
10. Member Workshop start time to be 6.00pm

Changes for 2019/20

1. Member training to commence by 6pm.

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Constitutional Updates and Council Delegations

REPORT TO FULL COUNCIL



DATE	20/02/2019
PORTFOLIO	Leader
REPORT AUTHOR	Eric Dickinson
TEL NO	01282 477256
EMAIL	edickinson@burnley.gov.uk

PURPOSE

1. To inform Members of minor amendments to the Constitution's Part 3 Scheme of Delegation and to Part 4.6 Financial Procedure Rules made by the Monitoring Officer; and

2. To consider an amendment to Part 3 (Council Functions) Scheme of Delegation relating to Development Control Committee and the delegations of the Head of Housing and Development Control.

RECOMMENDATION

3. That the minor amendments to Part 3 Scheme of Delegation made by the Monitoring Officer relating to Licensing (Scrap Metal Dealers and the delegations of the Head of Legal and Democratic Services) and to Part 4.6 Financial Procedure Rules (Virement of Salary Budget) as set out in Paragraph 6 be noted; and

4. That an amendment to Part 3 (Council Functions) Scheme of Delegation relating to Development Control Committee and the delegations of the Head of Housing and Development Control be approved, as set out in Appendix 1, be approved.

REASONS FOR RECOMMENDATION

5. To ensure that the requirements of the constitution are upheld, and that maximum transparency is maintained.

SUMMARY OF KEY POINTS

6. The Monitoring Officer made minor amendments to Part 3 and Part 4.6 of the constitution as follows;
 - (a) On 15th January 2019 approval was given to an amendment to the delegation for Licensing(Council Functions) relating to scrap metal dealers to clarify that

any such delegation be carried out by the Head of Streetscene (from Head of Legal and Democratic Services);

- (b) On 10th January 2019 approval was given to an amendment to Council Functions for the delegations of the Head of Legal and Democratic Services relating to Licensing to include reference to the appointment of appropriate Officers, as follows;

“To appoint officers to undertake, where appropriate, the licensing duties vested in the authority by the Town Police Clauses Act 1847 or Part II of the Local Government (Miscellaneous Provisions) Act 1976”

(c) On 1st February 2019 approval was given to clarify Part 4.6 Financial Procedure Rules regarding the virement of any salary budgets in Paragraph A8.5, with authority to be sought from Management Team.

7. Following consideration of the Development Control Committee’s delegations to the Head of Housing and Development Control, it is proposed that the delegations relating to approvals regarding trees and displaying advertisements should not include those made by Members, Officers, or their partners.- as set out in the attached Appendix 1.

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

8. None.

POLICY IMPLICATIONS

9. None.

DETAILS OF CONSULTATION

10. Member Structures Officer Group
Member Structures Working Group.

BACKGROUND PAPERS

11. None.

FURTHER INFORMATION

PLEASE CONTACT: Eric Dickinson

ALSO:

Head of Housing & Development Control

- | | |
|----|--|
| 1. | To have responsibility for the conduct of planning appeals. |
| 2. | <p>To exercise the Council's statutory duties and responsibilities under the Town and Country Planning Act 1990, the Planning and Compulsory Purchase Act 2004, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990 and the Environment Act 1995 and as might subsequently be amended in respect of:</p> <p style="padding-left: 40px;">(i) determinations as to whether or not an application to the Local Planning Authority is required;</p> <p style="padding-left: 40px;">(ii) all approvals to lop or fell trees covered by Tree Preservation Orders or in Conservation Areas and Hedgerow Retention Notices, except where the application has been submitted by a Member of the Council, Officer of the Council or their partners; ;</p> <p style="padding-left: 40px;">(iii) all decisions on applications for consent to display advertisements, except where the application has been submitted by a Member of the Council, Officer of the Council or their partners;</p> |
| 3. | <p>The approval of all other applications, apart from those in Paragraph 2, except:</p> <p style="padding-left: 40px;">(i) where in the opinion of the Head of Housing & Development Control the decision is likely to be contentious;</p> <p style="padding-left: 40px;">(ii) where the application has been submitted by a Member of the Council, Officer of the Council or their partners;</p> <p style="padding-left: 40px;">(iii) Proposals for the Council's own development which must not be treated under delegated powers and must be reported to Development Control Committee and identified as the Council's own development in the written report to Committee</p> <p style="padding-left: 40px;">(iv)where the decision is not in accordance with a stated Council policy e.g. Local Plan</p> <p style="padding-left: 40px;">(v) where material planning objections have been received; or</p> <p style="padding-left: 40px;">(vi) Where three Members have indicated that they wish the application to be considered by Development Control Committee - Members wishing for this to happen must notify the Head of Housing & Development Control, or deputy, no later than the 'consultation expiry date' shown in the planning application record on the Council's website and must give material planning reasons for their request. The Head of Housing & Development Control will determine whether these reasons are material and arrange for the application be placed on the agenda for Development Control Committee.</p> |

4.	The refusal of applications which are contrary to a clearly-stated Council policy, except; (i) where the refusal could give rise to a claim for compensation; (ii) where the application has been submitted by a Member of the Council, Officer of the Council or their partners; (iii) Proposals for the Council's own development which must not be treated under delegated powers and must be reported to Development Control Committee and identified as the Council's own development in the written report to Committee
5.	All decisions relating to the approval of reserved matters;
6.	To secure publicity by site notices, publicising development, and notifying interested parties for the following categories of application, over and above the statutory classes: <ul style="list-style-type: none"> • applications which significantly affect the character of the neighbourhood; • applications which significantly affect the amenities enjoyed by the local population; and • applications which would have wide scale implications on the Borough or its population
7.	To obtain information in connection with alleged breaches of planning control;
8.	To determine all applications for Certificates of Lawful Development;
9.	To respond to neighbouring Local Planning Authority consultations and County Matters applications, subject to the exceptions outlined in (4) above;
10.	To determine all applications for Prior Approval.
11.	In consultation with the Chair of the Development Control Committee, will be responsible for determining the scale and scope of consultation in relation to any Nationally Significant Infrastructure Project located wholly or partly within the borough boundary, and in any adjoining local authority area, or otherwise having an impact on the borough.
12.	To serve a notice under Section 215 of the Town and Country Planning Act 1990 on residential properties where the condition of the property or part of it is adversely affecting the surrounding neighbourhood

Scrutiny Chair Cycle 4 Report to Council

The Committee met most recently on 7th February.

We were pleased to receive the Annual Community Safety update report. It was important to hear how the Community Safety Partnership is leading the way with the formation of new initiatives and taking the lead in Lancashire wide bodies such as the Serious and Organised Crime Panel. Congratulations must also go to the Team on securing funding from the Police and Crime Commissioner to deliver interventions in Burnley schools around the 'County Lines' criminal exploitation of vulnerable young people.

We also looked at the mid-year performance report and were informed of some of the initiatives that had been implemented – for example increased staff training in the contact centre, enabling staff to deal with a wider range of enquiries. This has had a positive effect on call answering targets. The Committee also noted the good work that has taken place in reducing sickness absence across the authority.

The draft Strategic Plan update was considered at our meeting with changes reflecting the aspiration to develop as a 'University Town', and the targets against which progress will be measured and updates given to Members through Strategic Plan Progress Reports.

The Committee reviewed the latest budget monitoring reports - both noting the capital and revenue budget position as at the end of December. The Committee then considered the suite of reports related to the 2019/2020 budget setting, including revenue and capital budgets, as well as the financial strategies that support these budgets. The Committee noted the ongoing financial challenges the Council faces.

We then considered a draft report from the Scrutiny Review Group that has been considering dementia services in Burnley. The group has focussed on the Herbert Protocol, a risk reduction tool which aims to assist Police and search teams when searching for missing people. The report was agreed by the Committee and will now be submitted for consideration by the Executive. In the new municipal year the committee will revisit the review they undertook on Manchester Road Station, to consider the progress that has been made since the review was completed. A future review topic will look to map resources that support people in need within the Borough, and how those resources can be accessed.

Cllr Andy Tatchell

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BURNLEY BOROUGH COUNCIL STRATEGIC PLAN PROGRESS REPORT TO THE FULL COUNCIL

20th February 2019

COUNCILLOR MARK TOWNSEND, LEADER OF THE COUNCIL	2
COUNCILLOR JOHN HARBOUR, DEPUTY LEADER AND EXECUTIVE MEMBER FOR HOUSING AND LEISURE	4
COUNCILLOR SUE GRAHAM, EXECUTIVE MEMBER FOR RESOURCES AND PERFORMANCE	8
COUNCILLOR LIAN PATE, EXECUTIVE MEMBER FOR COMMUNITY AND ENVIRONMENTAL SERVICES	9
COUNCILLOR ASIF RAJA, EXECUTIVE MEMBER FOR ECONOMY AND GROWTH	11

COUNCILLOR MARK TOWNSEND, LEADER OF THE COUNCIL

Progress against our strategic commitments

Strategic commitment	Progress update
<p>PE1- We will work with partners to make the borough a place of aspiration, including supporting efforts to increase education attainment and skills development, and improve residents' health.</p>	<p>As previously reported to Full Council, <i>Together an Active Future</i> is one of twelve national pilot areas chosen by Sport England to work on a bold new approach to help people to become more active and feel healthier and happier living and working in Pennine Lancashire. I am pleased to report that the programme is gearing up for delivery. It will focus on inactive people, those at risk of poor mental health and those affected by adverse life events. It is an opportunity to test new initiatives and learn from them, in the expectation that successful projects will be scaled up across the local area to lead to a shift in the health and wellbeing of the wider population. The Executive will report progress at future meetings.</p> <p>I acknowledge the scale of the challenge facing the County Council to reduce its budget deficit. We have, however, asked the County Council to deliver on a commitment to use its shrinking public health budget to support those areas most in need such as our Borough. At a time when policy makers at a local and national level agree that we must do more to prevent people getting ill, we will be asking the County Council to try, as far as possible, to protect services such as Up and Active in Burnley.</p> <p>We are currently working with Lancashire County Council to develop a Burnley, Pendle and Hyndburn Education Summit. The event will assess the current position, look at best practice and identify opportunities and partnerships that can deliver greater educational outcomes. The event is currently being planned to take place this Spring. I will update Members on progress after the Summit.</p> <p>Unfortunately, the bid to the NESTA (National Endowment for Science, Technology and the Arts) 'future ready' fund was unsuccessful, but we will continue to work in partnership with UCLan, to develop opportunities for young people to develop softer skills such as motivation, problem solving and goal orientation, which are critical to success in both school and the work place.</p> <p>With ongoing support from the Council, Primary Engineers is delivering a range of courses to primary teachers this year, including Page 638 and mechanisms and coding for game</p>

	design. In addition, 4 of the secondary schools have signed up to the Secondary Engineers' bicycle club.
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Strategic commitment	Progress update
<p>PR1- We will contribute to the strategic direction of local, sub-regional and regional partnerships, and will position the borough for economic development investment.</p>	<p>Further to our meeting last year with the Northern Powerhouse Minister regarding our ambitions for Lancashire, we are still waiting for the Government's Devolution Framework, which we are told is due out imminently. We are still progressing pan-Lancashire collaborative working, and will be ready to respond to the new devolution framework when it is finally published.</p> <p>The governance review of the Lancashire Enterprise Partnership (LEP) is progressing and the LEP is confident that it will meet the requirements of the Government's LEP review. David Taylor (Chair of UCLan) is currently acting as Interim Chair of the LEP until the new Chair is appointed.</p> <p>At the recent Pennine Lancashire Leaders (PLACE) meeting, Pennine Lancashire Authorities agreed to contribute £5000 each to match an offer of £30,000 funding support from the Lancashire Enterprise Partnership (LEP), to develop a shared economic analysis of East Lancashire's productivity and growth prospects. This is a key piece of work and will be used to inform the Lancashire Local Industrial Strategy.</p>

COUNCILLOR JOHN HARBOUR, DEPUTY LEADER AND EXECUTIVE MEMBER FOR HOUSING AND LEISURE

Progress against our strategic commitments

Strategic commitment	Progress update
<p>PL2- We will improve the management of private rented accommodation.</p>	<p>Selective Licensing: Trinity, Queensgate & Gannow</p> <p>The Trinity designation came to an end on 15th January 2019. At its close, 98% of licensable properties had been licensed, representing a very high level of compliance with the scheme. The licensing team worked to ensure that all licensed properties had an appropriate standard of management in place and by working with landlords and agents only 17 properties were refused a licence during the designation. Appropriate action is being pursued for those non-compliant landlords.</p> <p>The Queensgate and Gannow designations will come to an end in July 2019; the focus for these areas is to take action against those landlords still failing to comply with the scheme. A total of seven civil penalties have been served for non-compliance, with one current ongoing prosecution relating to a further four properties. To date, 96% of licensable properties in Queensgate are currently licensed, and 97% in Gannow.</p> <p>Consultation has now ended for the re-designation of these three areas and the proposal to include Daneshouse and Stoneyholme in a selective licensing designation. The Council has carried out extensive consultation with residents, landlords and other stakeholders across all the areas. The results were reported to the Executive in February.</p> <p>Selective Licensing: Burnley Wood with Healey Wood, Leyland Road area and Ingham & Lawrence Street area</p> <p>The Selective Licensing Team has processed over 1200 applications to date for properties in these three areas that require a licence. Of the completed applications received, 92% are now licensed. A high level of compliance has been achieved in the Ingham and Lawrence Street area, with only one outstanding application, and in the Leyland Road area, with just seven applications outstanding. The</p>

team continue to focus on achieving the same levels of compliance in the larger area of Burnley Wood with Healey Wood.

Private Rented Disrepair

Since the start of April 2018, the Council has received and dealt with 143 new disrepair complaints from private rented sector tenants and carried out 185 pro-active inspections relating to selective licensing areas, the Daneshouse Ward area and the Landlord Accreditation Scheme.

The Enforcement Team has a current caseload of 130 open/ongoing private rented sector disrepair cases. The majority of these cases are dealt with informally and resolved promptly. In cases of serious non-compliance, formal enforcement action will be taken to ensure that tenants in the Borough live in decent homes, free from disrepair.

Empty Homes Programme

Work on the programme is progressing well. So far this year we have acquired 8 properties with 5 further purchases underway. Renovation works have been completed on 6 properties so far this year, 3 properties have been sold and 3 are due to go up for sale very soon.

Officers are currently preparing a report for the Executive that will seek approval for more Compulsory Purchase Orders in 2019-20.

The Empty Homes Loan scheme has now seen more than £1 million loaned to owners of vacant properties with over 70 completed loans. The loans are an important strand of our empty homes programme, which allows the Council to assist landlords to bring their properties back into use. Accredited Landlords are offered a loan of up to £20,000 interest free to facilitate the renovation of an empty property. The properties must be in a selective licensing area and have been empty for a least six months.

Strategic commitment	Progress update
PL3- We will work with partners to improve quality and choice in the borough's housing stock.	Recent planning approvals are now being implemented at Manchester Road, Hapton (where Gleeson are reporting very strong interest and a high volume of sales) and at Kidrow Lane where McDermott are now on site. At these two locations we will see 450 family homes, improving the choice

	<p>of house types and locations for current and future residents of the borough.</p> <p>As the development of affordable rented housing is completed at the former perseverance mill site in Padiham, our partners Ringstones have wasted no time in securing planning permission for the land at Station Road and will be on site this summer building homes that will offer even more affordable routes into home ownership.</p>
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Strategic commitment	Progress update
<p>PL4- We will implement our 2015-25 Green Space Strategy.</p>	<p>Play Area Improvement Programme</p> <p>The scheme to refurbish Whittlefield Recreation Ground play area on Faraday St is nearing completion. The rubber safety surfacing under two items of equipment will be laid as soon as temperatures permit, and the paths are currently being re-surfaced by a local contractor.</p> <p>Work to refurbish Towneley riverside play area is in progress. The scheme includes provision of equipment for use by disabled children and the aim is to have the area substantially complete and open for Easter.</p> <p>Worsthorne Recreation Ground</p> <p>I am pleased to report that Fulleage Colts were successful in their application for funding from the Football Foundation for a scheme to provide changing accommodation and drainage for junior football pitches on Worsthorne Recreation Ground. This scheme will be progressed during 2019.</p>

Strategic commitment	Progress update
<p>PE2- We will continue to develop the leisure and cultural offer of Burnley in partnership with Burnley Leisure.</p>	<p>Mechanics</p> <p>The Mechanics held a very successful Christmas party season which was fully booked and already most of the dates for Christmas 2019 have been booked.</p> <p>St Peter's gym</p> <p>The newly refurbished gym at St Peter's Leisure Centre re-opened shortly before Christmas. It is proving to be very popular and has helped to push gym membership above 3,300 for the first time. Clearly, many of Burnley's residents are</p>

acting on their new year resolutions to become fitter and Burnley Leisure welcomes new members at both St Peter's and Padiham Leisure Centre.

Prairie Sports Village

I am pleased to report that the funding application made by the Council to the Football Foundation for development of a new synthetic grass football pitch has been successful. The Football Foundation has awarded a grant of £423,000. The Council is very grateful for the support of the Football Foundation over many years and which has helped to develop the Prairie as a centre of excellence for football. Construction of the new synthetic pitch will take place during 2019.

COUNCILLOR SUE GRAHAM, EXECUTIVE MEMBER FOR RESOURCES AND PERFORMANCE

Progress against our strategic commitments

Strategic commitment	Progress update
<p>PF1- We will embed the partnership with Liberata within the Council's budget, strategic vision and commercial strategy.</p>	<p>The latest available contract performance data is from Q3. All KPIs were on target.</p> <p>For contact centre telephone responsiveness, Liberata achieved the best result on record, with 88% of calls answered within the target time.</p> <p>Against a target of 7 days for processing of benefits, Liberata achieved 6 days.</p> <p>Liberata also achieved its targets for environmental health delivery, IT services, and payroll accuracy.</p>

Strategic commitment	Progress update
<p>PF2- We will adopt a Medium-Term Financial Strategy that will put the Council on a sustainable financial footing. This strategy will set the framework for preparing annual budgets, ensuring the annual budget strategy is set within the context of the longer-term outlook.</p>	<p>Final revenue savings proposals totalling £133k are presented elsewhere on this agenda to enable a balanced revenue budget to be presented for 2019/20. These have involved difficult choices, and wherever possible there has been a need to try to minimise the impact on services and on staff in reaching the budget savings targets. In total just over a £1m of savings have had to be found to plug the funding gap for 2019/20, with forward budget gaps also of a similar amount.</p> <p>December 2018 saw the Government publish the provisional 2019/20 budget settlement details, which form the basis of the budget reports in February 2019 detailed elsewhere on this agenda. The settlement saw the retention of the New Homes Bonus system for another year and confirmed that Lancashire's '75% Business Rates Pool' pilot application was successful. This represents a success for this authority, and its ability to work collaboratively with councils across the county. This will allow pool members to keep a bigger share of the business rates it collects and sets up the opportunity to start a strategic Lancashire-wide fund into which all pool members will contribute and benefit.</p> <p>The settlement also gave an indication of the Government's plan for its Fair Funding and Business Rates Review, which will impact on funding for future years. Although Burnley will not know the precise impact of this funding change until later in the calendar year, there are some concerns over the</p>

	<p>removal of deprivation factors in some calculations and the reliance on population growth as a key cost-driver. However, we await how this will affect Burnley's future funding.</p> <p>Work is on-going regarding the Financial Transformation Project. We are investing in systems to deliver long-term efficiency gains in accountancy support and to increase the Council's financial management capabilities.</p>
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Strategic commitment	Progress update
<p>PF4- We will deliver our Organisational Development strategy, ensuring we plan for the structures and capabilities the organisation needs, and empowering our workforce to deliver the objectives of the Strategic Plan.</p>	<p>Work has started on reviewing and updating the current Organisational Development Strategy which aims to guide the future developments, priorities and actions, including for our workforce, for the next two years. Suggestions from our recent successful Investors in People assessment (Gold) for further strengthening our people practices will also be incorporated.</p>

COUNCILLOR LIAN PATE, EXECUTIVE MEMBER FOR COMMUNITY AND ENVIRONMENTAL SERVICES

Progress against our strategic commitments

Strategic commitment	Progress update
<p>PL1- We will implement a range of initiatives to maintain a clean, safe borough.</p>	<p>Following the festive break, over 1,040 Christmas trees were collected from residents and, over the first two weeks of January, further increases in recycling volumes were experienced;</p> <ul style="list-style-type: none"> • Over 136 tonnes of paper & card were collected for recycling. This is the equivalent of 11 double decker buses • Over 216 tonnes of glass, plastic and cans were collected which equates to 18 double decker buses. <p>The Year 3 Garden Waste scheme will commence shortly and further information for residents who wish to sign up to the</p>

	<p>scheme will be available from early March.</p> <p>The Council has been successful in securing £10,000 from Lancashire County Council to support the delivery of recycling and waste minimisation awareness within local primary schools. The work will be delivered by the Council later in the year.</p> <p>The Animal Welfare Regulations came into force at the end of 2018, replacing existing local authority powers for the licensing of animal welfare activities. The Licensing Team have successfully transferred all licenses on time, ensuring Council compliance and in accordance with legislative requirements for the 31st December 2018 completion date.</p> <p>The Council has secured £4,000 in funding via the Office of the Police Crime Commissioner to contribute to the delivery of the national 'County Lines' Project in local schools. The safeguarding project focuses on the vulnerabilities and risks posed to young people, via criminal exploitation and specifically the connection between criminality, drug activity and human trafficking. The funding will deliver content across all secondary schools in the borough, using film and group work.</p>
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Strategic commitment	Progress update
<p>PF3- We will develop our digital strategy, so that more residents transact with us online and we will continue to deliver services more efficiently.</p>	<p>To encourage residents to sign up for paperless council tax billing, for every 1000 households that switch, Liberata is going to donate £100 to Pendleside Hospice.</p>

COUNCILLOR ASIF RAJA, EXECUTIVE MEMBER FOR ECONOMY AND GROWTH

Progress against our strategic commitments

Strategic commitment	Progress update
<p>PR2- We will proactively support the borough's businesses to innovate and expand, and make the borough a natural choice for business relocation.</p>	<p>Business Growth Programme: A grant of £9,516 has recently been awarded to one company that has refurbished its premises and will be creating 8.5 jobs. Total expenditure for the project was £52,654</p> <p>Vision Park: In January three more units were taken in Block C by FloControl Ltd (existing tenant expanding), Gym Upholstery UK and Burnley College (providing warehousing and logistics training). The largest unit on the site (Units A-B, 5,500 Sq Ft) is currently under offer and at legal stage and once this is completed (estimated Feb 2019) the site will be at 80% occupancy.</p> <p>The recent bondholder event hosted by UCLan at Victoria Mill had a great turnout with over 120 guests. Businesses received an update from UCLan on their new premises and student numbers. The council's Chief Executive also provided an update on the key developments in the town.</p>

Strategic commitment	Progress update
<p>PR3- We will make the borough attractive to retail and leisure developers, and will identify a sustainable future for the Burnley Market.</p>	<p>Consultants, Groundwork Cheshire, Lancashire & Merseyside have recently been appointed to work on the development of a Business Improvement District for Burnley town centre. They have an estimated timetable of October/November for the ballot and with a view to establishing the BID in early 2020.</p>

Strategic commitment	Progress update
<p>PR4- We will develop and deliver the Local Plan. This will act as the key supporting framework for encouraging future employment and investment in a range of housing stock.</p>	<p>Following the adoption of Burnley's Local Plan in 2018 work is continuing on a number of supporting Supplementary Planning Documents (SPDs). A draft Shopfront and Advertisement Design SPD was issued for 6 weeks consultation on 1st February 2019.</p> <p>The planning application has been submitted for a student accommodation scheme on Sandygate, the completion of which will be key to the growth of UCLAN's student numbers.</p>

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