

Selby District Council



Agenda

Meeting: **Executive**
Date: **2 June 2011**
Time: **4pm**
Venue: **Committee Room 2**
To: Councillor Mark Crane, Councillor Mrs Gillian Ivey, Councillor Cliff Lunn, Councillor John Mackman and Councillor Chris Metcalfe

1. Apologies for absence

2. Disclosures of Interest

Members of the Executive should disclose personal or prejudicial interest(s) in any item on this agenda.

3. Start time of Executive meetings

The Executive is asked to agree the future start time of its meetings.

4. Executive appointments to representatives on outside bodies – Non Key Decision

Report E/11/1 lists the outside organisations with executive powers to which the Executive is entitled to appointed representatives for the municipal year 2011/12. Pages 3 to 4.

5. 2010/11 Final Accounts Outturn Report – Key Decision

Report E/11/2 provides the Executive with details of actual net expenditure against budget for 2010/2011. Pages 5 to 23.

6. Treasury Management Outturn Report – Key Decision

Report E/11/3 provides the Executive with the results of the Treasury Management function for 2010/11. Pages 24 to 35.

7. Private Sector Housing Assistance Policy – Non Key decision

Report E/11/4 asks the Executive to consider how the Council will deliver the statutory private housing assistance service in 2011/12. Pages 36 to 52.

8. North Yorkshire Building Control Partnership – Non Key Decision

Report E/11/5. The Executive is asked to approve a variation of the North Yorkshire Building Control Partnership agreement. Pages 53 to 58.

9. Selby College Sports Pitch – Key Decision

Report E/11/6 asks the Executive to consider whether to release funding towards the cost of providing an all weather sports pitch at Selby College and to consider the future of the existing pitch at Abbey Leisure Centre. Pages 59 to 62.

10. Private Session

That in accordance with Section 100(A)(4) of the Local Government Act 1972, in view of the nature of the business to be transacted, the meeting be not open to the Press and public during discussion of the following item as there will be disclosure of exempt information as defined in Section 100(1) of the Act as described in paragraph 3 of Part 1 of Schedule 12(A) of the Act.

11. Land Sales – Key Decision

Report E/11/7 asks the Executive to consider proposals for the disposal of various non operational sites owned by the Council. Pages 63 to 68.

**M Connor
Chief Executive**

Dates of next meetings
16 June 2011 Executive Briefing
7 July 2011 Executive

Enquiries relating to this agenda, please contact Glenn Shelley on:
Tel: 01757 292007
Fax: 01757 292020
Email: gshelley@selby.gov.uk

OUTSIDE BODY	CURRENT COUNCILLORS REPRESENTATIVE	TERM EXPIRES/NO. OF PLACES	MINUTE REFERENCE NO.	TERM EXPIRES/NO OF PLACES	MINUTE REFERENCE NO	STATUS
Local Government North Yorkshire and York	Cllr M Crane	2011 (1)	14/2010	2011 (1)	14/2010	Active
Local Government Association	Cllr C Metcalfe Deputy – Cllr C Lunn	2011 (2)	14/2010	2011 (2)	14/2010	Active
Local Authorities -Yorkshire and the Humber	Cllr M Crane	2011 (1)	14/2010	2011 (1)	14/2010	Active
Yorkshire and Humber Employers' Committee	Cllr M Crane	2011 (1)	14/2010	2011 (1)	14/2010	Active
Selby District Local Strategic Partnership	Cllr G Ivey	2011 (1)	14/2010	2011 (1)	14/2010	Active
York and North Yorkshire Development Board (Partnership Unit – Secretariat)	Cllr C Metcalfe	2011 (1)	14/2010	2011 (1)	14/2010	Active
Strategic Housing Board - now York & North Yorkshire Strategic Housing Board	Cllr G Ivey sub: Cllr J Mackman	2011 (1)	14/2010	2011 (1)	14/2010	Active
Leeds City Region	Cllr M Crane	2011 (1)	14/2010	2011 (1)	14/2010	Active
Leeds City Region Housing Panel	Cllr J Mackman	2011 (1)	14/2010	2011 (1)	14/2010	Active
Appleton Roebuck and Copmanthorpe Drainage Board - NOW AMALGAMATED TO FORM THE FIRST AINSTY BOARD (2 Reps)	FIRST AINSTY Cllr D Mackay Cllr K Ellis	2011 (2)	14/2010	2011 (2)	14/2010	Active
Knottingley to Gowdall Drainage Board (evening meetings) - To Amalgamate with the Went Board from April 2012 - this date may be brought forward to October 2011	Cllr Mrs G Ivey Cllr Mrs S Ryder Cllr M Jordan Cllr Mrs A Spetch Cllr Mrs C Mackman	2011 (8) Amalgamated Board will have 5 places	14/2010	2011 (8)	14/2010	Active
North Wharfe Internal Drainage Board - NOW AMALGAMATED TO FORM THE FIRST AINSTY BOARD (2 Reps)	FIRST AINSTY Cllr D Mackay Cllr K Ellis	2011 (2)	14/2010	2011 (2)	14/2010	Active
Ouse and Derwent Internal Drainage Board First Electoral Division – Ouse	Cllr W Inness Cllr J Cattanach Cllr K Ellis			(3)		Active
Third Electoral Division – Cliffe	Cllr Mrs S Duckett Cllr Mrs K McSherry Cllr J Deans			(3)		

Access to Services (York & Selby)	TO BE REMOVED	2011 (1)	14/2010	2011 (1)	14/2010	Inactive
Selby Area Internal Drainage Board	<i>Cllr M Dyson</i> <i>Cllr M Hobson</i> <i>Cllr C Pearson</i> <i>Cllr K Ellis</i> <i>Cllr I Chilvers</i> <i>Cllr Mrs A Spetch</i> <i>Cllr Mrs J Dyson</i> <i>Cllr R Sayner</i> <i>Cllr Mrs C Mackman</i> <i>Cllr D Peart</i> <i>Cllr R Price</i>	2011 (11)	14/2010	2011 (11)	14/2010	Active
South Wharfe Internal Drainage Board - NOW AMALGAMATED TO FORM THE FIRST AINSTY BOARD (2 Reps)	FIRST AINSTY <i>Cllr D Mackay</i> <i>Cllr K Ellis</i>	2011 (3)	14/2010	2011 (3)	14/2010	Active
Went Internal Drainage Board (afternoon meetings) To amalgamate with the Knottingley to Gowdall in April 2012 this date may be brought forward to October 2011	<i>Cllr Mrs G Ivey</i> <i>Cllr Mrs S Ryder</i> <i>Cllr M Jordan</i> <i>Cllr Mrs A Spetch</i> <i>Cllr Mrs C Mackman</i>	2011 (6) <i>Amalgamated Board will have 5 places</i>	14/2010	2011 (6)	14/2010	Active
Building Control Partnership <i>Executive Member</i> Now 1 place + 1 Sub	<i>Cllr J Mackman</i> Sub: <i>Cllr C Lunn</i>	2010 (2)	14/2010	2010 (2)	14/2010	Active
Groundwork Selby (2 places) Groundwork (North Yorkshire) From 21 November 2008	<i>Cllr I Nutt</i> <i>Cllr J Thurlow</i>	2010 (2)	14/2010	2010 (2)	14/2010	Active
Community Safety Partnership	<i>Cllr M Hobson</i>	2011 (1)	14/2010	2011 (1)	14/2010	Active
North Yorkshire Joint Procurement Committee <i>Executive Member</i>	<i>Cllr M Crane</i>					Active
Leisure Forum (Partnering board)	<i>Cllr Mrs G Ivey</i>					Active
Environmental Services Contract Partnering Board	<i>Cllr C Metcalfe</i>					Active
Audit Consortium Partnership <i>Executive Member</i>	<i>Cllr C Lunn</i> sub: <i>Cllr M Crane</i>	2010 (2) now 1 place only + sub:	14/2010	2010 (2)	14/2010	Active

North Yorkshire Waste Management Partnership

Cllr M Dyson

Selby District Council

REPORT

Reference: E/11/2

Item 5 - Public



To: The Executive
Date: 2 June 2011
Status: Key Decision
Report Published: 24/5/11
Author: Kevin Ross – Senior Finance Officer
Executive Member: Cllr C Lunn
Lead Officer: Executive Director (and S151)

Title: 2010/11 Final Accounts Outturn Report

Summary:

This report is to update the Executive with details of major variations between budgeted and actual expenditure and income for the 2010/11 financial year to 31 March 2011.

To inform the Executive of the estimated outturn position subject to audit of the General Fund and the Housing Revenue Account for 2010/11, and to agree proposals for budget carry forwards to 2011/12.

Recommendations:

- i. **Councillors endorse the actions of officers and note the contents of the report.**
- ii. **Councillors acknowledge the estimated outturn position on the Council's General Fund and Housing Revenue Account for 2010/11.**
- iii. **Councillors approve the £2,985,815 General Fund and Housing Revenue Account revenue and capital budget carry forward requests as listed in Appendix C.**
- iv. **Councillors endorse the actions of the Executive Director (S151) in contributing the saving generated in the General Fund to the Spend to Save Reserve.**

Reasons for recommendation

To ensure that budget exceptions are brought to the attention of the Executive with explanations from officers; in order to approve remedial action as necessary. Action is taken to establish appropriate levels of reserves to support future issues from the exceptions and approve carry forward budget requests to ensure ongoing committed projects are completed.

1. Introduction and background

This is the 4th quarter 2010/11 budget exception report and provides details of General Fund, and Housing Revenue Account (HRA) expenditure and income variations for the financial year 2010/11. The report sets out the main reasons for the variances and seeks approval for budget carry forwards and the endorsement of the contributions to reserves. The actual outturn variance exceptions have been reported taking into account any requests to carry budgets forward.

2. The Report

Budget Exceptions

Revenue

- 2.1 The table in Appendix A shows details of the major budget exceptions within General Fund revenue budgets for the 2010/11 financial year, summarised at service level total.
- 2.2 After carry forward's of £908k an estimated saving of £350k is forecast for the General Fund. The Executive Director (S151) is proposing that the General Fund savings generated contribute to the Spend to Save Reserve.
- 2.3 Appendix A also shows details of the major budget variances within HRA budgets for the 2010/11 financial year, summarised at service level total.
- 2.4 After carry forwards of £49k an estimated saving of £66k is forecast for the HRA budget.

Capital

- 2.5 Within Appendix A are details of budget exceptions for capital budgets for the 2010/11 financial year including carry forward requests. There has been a saving of £71k on General Fund, and a break-even on the HRA after carry forward requests.
- 2.6 Appendix A shows that after allowing for slippage within several

projects there has been a saving on General Fund and HRA capital budgets during 2010/11. Requests to carry forward budgets totalling £2,028,435 the majority of which relates to funding for the Selby Community Project (new Civic Centre) £544k and the Airey House project £1.08m, are detailed in Appendix C.

Savings

- 2.7 Appendix B summarises the savings that have been identified by officers for the services within the General Fund and the HRA to date and also shows the progress made to date on each.
- 2.8 To date General Fund savings are £377k short of the 2.801m savings target for 2010/11. £306k is to be covered by Planning Deliver grant and the remaining £71k will come from savings identified at Appendix A.
- 2.9 The HRA has a savings target of £120k for 2010/11 which is shown at Appendix B. Planned savings which have been identified and achieved to date stand at £50k, with an additional in-year on-going saving of £29k leaving a shortfall of £41k. Officers will continue to look for savings opportunities to cover the required on-going base budget savings in future years.

Contribution to Reserves

- 2.10 Of the estimated savings generated in the General Fund for 2010/11 £350k is required to be transferred to the Spend to Save Reserve. This funding is required to support the council during its restructuring process.
- 2.11 The Council has received £34k of grant funding for Land Charges to offset the costs of refunds for fees prior to July 2010 associated with the changes to personal search fees. It is proposed to set this aside in reserves.
- 2.12 It is proposed that the savings generated within the HRA are placed back in the general HRA balances.

3. Legal/Financial Controls and other Policy matters

3.1 Legal Issues

There are no legal issues as a result of this report.

3.2 Financial Issues

The financial issues are highlighted in the body of the report.

4. Conclusion

Budgets are financial plans which are affected by external factors, as can be seen by the variances explained within this report. Officers are monitoring and managing their budgets closely and have plans in place to deal with and react to the impact of external factors placed upon them.

5. Background Documents

Accountancy budget management files

Contact Details

Kevin Ross
Senior Finance Officer
Selby District Council
kross@selby.gov.uk

Appendices:

Appendix A – General Fund and Housing Revenue Account Revenue and Capital budget exceptions.

Appendix B – General Fund and Housing Revenue Account Savings.

Appendix C – Revenue & Capital Carry Forward Requests – General Fund and Housing Revenue Account.

BUDGET EXCEPTIONS RBUDGET BUDGET EXCEPTIONS REPORT

APRIL 2010 - MARCH 2011

GF Revenue

Service	Original Budget	Revised Budget	Year to Date Actual	Carry Forward Request	Outturn Variance	
Housing Benefits	336,710	171,350	71,688	(9,640)	(90,022)	Additional Housing Benefit Admin £34K, Housing ben Admin Costs £18k (General Office, Training etc), Benefit Payments & Subsidy £34k
Local Taxation Collection	40,290	41,260	60,006	0	18,746	£40k shortfall in court costs income, £7k saving against land registry fees and £4k in salaries and a further £6k in other misc costs
Civic Amenities	54,830	54,830	101,256	0	46,426	Shortfall in contributions from S106 provision for grounds maint. RE: NYCC Grass cutting - prior year debtors adjustment due to NYCC not paying the increase in costs, plus current year shortfall in income
House & Trade Refuse Coll	1,051,500	1,153,690	1,210,503	0	56,813	This overspend has occurred for a number of reasons including costs of (media promotion) leaflet delivery, shortfall in income following the transfer of market ownership and bulky waste collections £13k. Plus contractor costs for bulky waste collections £11k. together with a shortfall in income from trade refuse collections due to a decline in the customer base - both numbers & bin size £31k.
Recycling	906,180	724,300	634,139	0	(90,161)	There has been additional income as a result of increased recycling levels. Firstly an increase in the tonnage collected has generated additional recycling credits from the County Council. In addition the market has remained bouyant for the sale of recyclates.

APPENDIX A

P & R Development Policy	105,470	499,080	41,936	(396,370)	(60,774)	Savings have been made against Development Policy consultancy and office expenses. There has also been a saving against Village design statement as the project has been put on hold.
P & R Land Charges	(86,940)	(31,690)	(85,348)	0	(53,658)	A £34k grant has been received from CLG towards loss of income regarding the revocation of personal search fees. This is to be transferred to reserves to support any claims against being charged for this service prior to July 2010. There were savings on search fees payable to NYCC and land charge income exceeded budget.
P & R Licensing	(19,290)	(19,030)	(35,895)	0	(16,865)	Over achieved income
P & R Miscellaneous H&P	8,980	29,080	14,540	0	(14,540)	This is the saving achieved in year against the Barlby Depot. Due to it not being in use, utility costs are small. Limited costs will continue to be incurred until the building is disposed of.
P & R Property Management	(56,300)	(56,300)	(35,117)	0	21,183	This is a shortfall in property rental income. The shortfall in particular is around the rental income due from the mast in the Civic Centre Car Park, being much lower than in previous years.
P & R Video Cameras	110,860	133,460	159,393	0	25,933	This overspend is due to additional costs relating to the Flaxley Road scheme, Mayfair had not charged the Council for all the monitoring work it was undertaking.
Abbey Leisure Centre	268,730	282,200	261,929	0	(20,271)	This saving has occurred as a result of the corporate insurance allocation. Employers liability cover is no longer required as staff are now employed by Wigan Leisure & Culture Trust.
Concessionary Fares	605,990	465,140	348,351	0	(116,789)	Reduction in operator costs as consequence of new scheme, and reduction in potential additional cost claim
Sport Development & Groundwork	66,830	92,860	79,552	0	(13,308)	Under the terms of the leisure provision contract, the leisure card scheme budget is not required
TOTAL MAJOR VARIANCES					(307,289)	

HRA Revenue

Service	Original Budget	Revised Budget	Year to Date Actual	Carry Forward Request	Outturn Variance	
HRA Rents	(9,530,000)	(9,700,000)	(9,778,319)	0	(78,319)	Rent income has exceeded expectations after adjustments for Hostels and bad debts.
Hostels	(20,100)	(830)	55,901	(12,987)	69,718	Due to effective homelessness prevention work, units have been left empty. Empty units do not receive rent but do incur council tax charges. This additional cost along with significant responsive repairs and legionella testing have put the Hostels in to a deficit position.
Housing Gen Management	919,290	823,440	724,064	0	(99,376)	This saving has arisen from vacancies in the staffing structure. Key positions have been covered by agency staff.
Housing Repairs	1,909,330	1,859,450	1,876,124	0	16,674	Costs incurred on change of tenancy to meet the demand of getting void properties up to a lettable standard.
Housing Repairs	497,910	461,120	491,419	0	30,299	A large number of repairs have had to be undertaken across the District on SDC footpaths, to ensure the Health & Safety of our customers and the extreme winter weather also damaged several footpaths. A large number of remedial works have had to be undertaken on solid fuel heating systems. Again the extreme cold weather has had an impact on this budget by increasing the parts and repairs required.
Special Management	115,750	86,750	80,651	0	(6,099)	Saving on variation (tree) works in the year completed through the contract with Enterprise.
Warden Schemes	258,840	235,360	200,604	(6,659)	(28,097)	Savings have been generated particularly through staffing structuring, this has contributed to meeting the reduction in Supporting Grant.
TOTAL MAJOR VARIANCES					(95,200)	

General Fund Capital

Service	Original Budget	Revised Budget	Year to Date Actual	Carry Forward Request	Outturn Variance	
Civic Centre	77,360	77,360	0	-	(77,360)	Part of Civic Centre capital repair programme. Work was assessed on necessity to be done under H&S. No capital works were required during 2010/11, pending the closure of the building in August 2011.
Maint Finkle St & Micklegate	15,000	15,000	0	-	(15,000)	This scheme has now been withdrawn, the funding can go back in to balances. A new bid for the work may be submitted in the future.
Private Sector Housing Renewal	60,000	60,000	84,903	(24,000)	48,903	This overspend relates to a further Regional Housing Board grant of £49K received in revenue which turns the overspend into a £24K underspend. The underspend relates to schemes approved but not completed in 2010-11 and is subject to a carry forward request for 2011/12. This is Regional Housing Board funding that must be returned if not spent.
Total Major Variances					(43,457)	

HRA Capital

Service	Original Budget	Revised Budget	Year to Date Actual	Carry Forward Request	Outturn Variance	
External Cyclical Repairs	175,000	175,000	186,074	-	11,074	Additional cost for the replacement of external doors that were beyond repair and were not wind and watertight have resulted in this overspend.
Central Heating Systems	0	1,362,000	1,238,996	(100,095)	(22,909)	Less gas heating and boiler replacements required due to failure on service than expected. However the boilers that have passed are still old and in poor condition and will require replacement in the new future. A balance has been left to cover minor overspends.
Total Major Variances					(11,835)	

Key:

Green	Savings likely to be achieved/low
Amber	Tentative savings - further work
Red	Savings require a change in Council policy or significant change in service delivery/high risk

GENERAL FUND BASE BUDGET
SAVINGS/EFFICIENCIES ACTION PLAN
2010/11 - 2013/14 (V48)
Updated May 2011

Dept	Proposed Savings	Status	Previous 2010/11 £	Latest 2010/11 £	2011/12 £	2012/13 £	2013/14 £	Progress
	Inflation factor		-	-	-	0.020	0.020	
Procurement Workstream								
Customers & Business	Change provider for telephone calls and rationalisation of telephone accounts	Green	7,200	7,200	13,000	13,000	13,000	Completed
Customers & Business	Partnering Back Office Support	Green	30,000	30,000	77,500	93,000	93,000	Saving achieved in 10/11 through holding a vacancy. For 11/12 onwards the shared ICT service with Craven has been approved and recruitment to the new structure is underway
Customers & Business	Election software	Green	-	-	4,700	4,700	4,700	Completed - Implementation underway
Customers & Business	CCTV	Amber	-	-	21,000	42,000	42,000	Benchmarking with other councils in North Yorkshire shows saving is achievable
Partnerships & Comm	Recycling	Amber	-	-	159,000	159,000	159,000	Proposals to change the way that recycling is handled approved and changes implemented through a variation to the existing contract with Enterprise.
Partnerships & Com	Collaborative corporate contracts through shared procurement service Note: The balance of this target will reduce as individual procurement projects are identified	Amber	-	-	11,300	20,300	45,300	A refreshed spend analysis has identified a first phase of projects for 2011/12 but further work will be needed to identify projects to meet this remaining savings target for 2011/12 and beyond.
Dev	Expanded Building Control Partnership	Red	-	-	-	5,000	5,000	Savings in 11/12 unlikely to be achieved due to continued downturn in fee earning work
Finance	Audit Partnership	Amber	-	-	5,000	10,000	15,000	Completed for 11/12. Planned reduction in Audit days and exploring options for future service delivery in North Yorkshire to coincide with partnership agreement renewal from April 2012

Dept	Proposed Savings	Status	Previous 2010/11 £	Latest 2010/11 £	2011/12 £	2012/13 £	2013/14 £	Progress
Finance	WTT - Partnering Revs and Bens	Red	-	-	55,000	110,000	110,000	A soft market testing exercise has been conducted to inform the outsource option for the service and a shared service option is currently being explored. Once the preferred option has been identified a detailed business case will be developed. Timing of saving not yet known although if a shared service option is ultimately pursued, officers would aim for implementation by September 2011
Customers & Business	WTT - Shared Legal Service	Red	-	-	20,000	20,000	20,000	Currently in the middle of a BPI exercise to identify savings. Initial conversations have been held with Craven regarding provision of advice and potential of shared service. 1/2 FTE saving from 1 April and other base budget reductions will cover this saving in 2011/12
Housing & Property	WTT - Shared Environmental Health Service	Red	-	-	56,000	84,000	84,000	Draft business case completed but awaiting decision from Craven. Saving can be achieved from corporate restructure from 1 August
Customers & Business	Access Selby Electricity	Green	-	-	10,000	10,000	10,000	Completed
Customers & Business	ICT - Server Virtualisation	Green	-	-	10,000	10,000	10,000	Completed - Implementation underway
Corporate	WTT - Other commissioning projects	Red	-	-	-	-	-	Commissioning strategy has been approved and proposals for shared services phased over 3 years
Total Procurement			37,200	37,200	442,500	581,000	611,000	
Transformation Workstream								
Customers & Business Support	BPR - ICT (See partnering back office support ref 19 above)	Amber	-	-	-	-	-	ICT shared service agreed at Policy and Resources on 28 September 2010. Merged with Ref 19 above
Finance	WTT - Accountancy and Admin BPI	Green	55,000	55,000	90,890	90,890	90,890	Internal recruitment completed some vacancies remain and will be held pending corporate restructure - posts are being back filled by staff displaced by the restructure in order to minimise redeployment pool costs

Dept	Proposed Savings	Status	Previous 2010/11 £	Latest 2010/11 £	2011/12 £	2012/13 £	2013/14 £	Progress
Finance	WTT - Revs and Bens (Phase 2) BPI	Green	25,000	25,000	40,000	40,000	40,000	Completed - A vacancy in benefits is currently being held and further savings may be possible - additional BPI work will be undertaken following debt recovery project. A review of Counter Fraud activities has also been undertaken and changes have been implemented.
Dev	Development Control - On-line consultations	Red	-	-	-	-	-	Saving not achievable. Parishes unwilling to accept on-line consultations
Dev	WTT - Planning (Phase 2) BPI	Amber	-	-	36,667	55,000	55,000	Review commenced - saving to be achieved through Corporate restructure from 1 August
Customers & Business Support	WTT - HR BPI	Red	-	-	5,000	5,000	5,000	Discussions with Harrogate and Craven regarding possible joint working. High level business plan to be developed. Base budget reductions will cover savings in 2011/12
Finance	WTT - Corporate Debt Recovery team BPI	Amber	5,000	5,000	20,000	20,000	20,000	Key recommendations report produced. A vacancy within the section is currently being held pending implementation
Corporate Finance	Other BPI projects	Red	-	-	-	-	-	Target allocated to projects
	WTT - Procure to Pay (£15k GF and £15k HRA) BPI	Amber	-	-	15,000	15,000	15,000	Key findings awaited - vacancies from the Accountancy and Admin restructure are being held pending the corporate restructure and outcome of this BPI project
Finance	WTT - Review of remaining cash collection	Amber	-	-	10,000	10,000	10,000	Discussions on collaboration with WLCT halted. Discussion now taking place with alternative security carriers for quotes to carry to an approved collection centre. Aiming to commence June/July 2011.
Customers & Business Support	WTT - Democratic Services BPI	Amber	-	-	19,760	19,760	19,760	Innovate stage completed. Long term saving achievable and will form part of corporate restructure.

Dept	Proposed Savings	Status	Previous 2010/11 £	Latest 2010/11 £	2011/12 £	2012/13 £	2013/14 £	Progress
Partnerships & Com	WTT - Partnerships and Commissioning BPI	Amber	-	-	32,000	48,000	48,000	Innovate stage completed. Long term saving achievable but will form part of corporate restructure therefore full saving will not be achieved in 11/12
Customers & Business Support	WTT - Customer Services BPI	Amber	-	-	24,000	24,000	24,000	Vacancy being held pending corporate restructure
Corporate	WTT	Red	-	-	-	-	-	Transformation/Corporate restructure
Corporate	WTT - Senior Management	Green	40,000	40,000	80,000	80,000	80,000	Completed
Corporate	WTT - Transformation (SDV)	Amber	-	-	345,000	742,000	726,000	SDV Business Plan approved - structure proposals out to consultation with staff and unions
Corporate	WTT - Transformation (Core)	Amber	-	-	50,000	50,000	50,000	Structure proposal out to consultation with staff and unions
Total Transformation			125,000	125,000	768,317	1,199,650	1,183,650	
Asset Management Workstream								
Housing/ PS	Vacation of Portholme Road Depot	Green	-	-	13,497	13,497	13,497	Completed. In addition, there is a saving to the HRA of £26,833
Housing & Property	Running costs of new Civic Centre	Amber	-	-	20,000	40,000	40,000	Work on site progressing well - move scheduled for August 2011
Customers & Business	Closure of Tadcaster office	Green	-	-	30,000	30,000	30,000	Completed
Housing & Property	Barlby Depot	Red	-	-	-	20,000	20,000	Options to be reported to P & R following T & F Group. To be included in new Asset Management Plan. Option for short term lease is currently being considered
Total Asset Management			-	-	63,497	103,497	103,497	
Value for Money Workstream								
Corporate	Telecommunications Mast	Red	-	-	13,000	13,000	13,000	Budget bid approved as part of 2011/12 budget round

Dept	Proposed Savings	Status	Previous 2010/11 £	Latest 2010/11 £	2011/12 £	2012/13 £	2013/14 £	Progress
Corporate	Internal Drainage Boards	Green	-	-	40,000	40,000	40,000	Saving of £40k achieved in 11/12 - future targets adjusted accordingly
Partnerships & Comm	Community Safety	Green	-	15,000	15,000	15,000	15,000	Completed
Dev	Decentralisation of Planning Fees	Red	-	-	-	250,000	250,000	Awaiting final details although indication that legislation may not now come into force until April 2012. Income will be linked to cost recovery in the future. Workshop on charging attended and savings targets have been reduced to reflect reducing cost base under new SDV
Housing & Property	Car Park Income	Red	-	-	50,000	50,000	50,000	Review of fees scheduled for Executive June 2011 & implementation October 2011. Expectation from January 2011 Budget Away day of £50,000 increase against current budget. As a surplus of £12k was already achieved in 10/11 at current prices, an additional £38k would need to be achieved in 11/12. As any increase would only be effective from October, this would require a 25% increase to achieve £50k in 11/12, and would result in £75k on-going. To achieve £50k pro-rata in 11/12, this would require a 12.7% increase.
Total Value for Money			-	15,000	118,000	368,000	368,000	
Base Budget Review Workstream								
Corporate	External Audit Fee	Green	-	-	5,000	5,000	5,000	Saving for SDC not as high as indicated in the consultation due to increased cost of VFM work - representations will be made to the Audit Commission
Corporate	Corporate and Democratic Core	Green	-	-	7,000	7,000	7,000	Completed
Total Base Budget Review			-	-	12,000	12,000	12,000	
Discretionary Service Review Workstream								

Dept	Proposed Savings	Status	Previous 2010/11 £	Latest 2010/11 £	2011/12 £	2012/13 £	2013/14 £	Progress
Customers & Business Support	HR - Budget review	Green	2,500	2,500	5,000	5,000	5,000	Completed
Dev	New charge for planning advice	Green	18,000	5,000	30,000	30,000	30,000	Completed - £5k achieved since January 2011 (included £13k for service to CDC below) therefore target reviewed. Income budgets will continue to be monitored closely
Dev	Planning service management support for Craven DC	Green	-	13,000	-	-	-	One off fee received
Customers & Business Support	Reduce opening hours at Access Selby	Green	26,000	26,000	35,000	35,000	35,000	Completed - approved at P&R on 1 February to continue with the reduced opening hours
Partnerships & Comm	Barlow Nature Reserve	Red	-	-	15,000	15,000	15,000	Discussions commenced with NYCC - SLA extended and further review planned by the end of 2010/11
Partnerships & Comm	Commercial Waste Income	Red	9,600	0	0	0	0	A significant shortfall in income is forecast for 2010/11. Future targets assume saving is not achievable
Corporate	WTT priorities	Red	0	0	0	0	0	Review of corporate priorities
Finance	External Grants	Green	-	-	12,000	12,000	12,000	Completed
Total Discretionary Service Review			56,100	46,500	97,000	97,000	97,000	
Inflation adjustment			-	-	-	47,223	95,956	
Total General Fund Savings			218,300	223,700	1,501,314	2,408,370	2,471,103	
Target (Per 2011/12 - 2013/14 MTFP)			600,746	600,746	1,592,000	2,594,000	3,006,000	Note: Target of £601k in 10/11 is the remainder of savings needed
Headroom/Deficit (+/-)			- 382,446	- 377,046	- 90,686	- 185,630	- 534,897	

*Note: Planning Delivery Grant of £306k will help to cover shortfall in 2010/11

Green Savings	203,700	218,700	518,587	544,769	555,664
Amber Savings	5,000	5,000	768,727	1,280,161	1,320,330
Red Savings	9,600	-	214,000	583,440	595,109
Total	218,300	223,700	1,501,314	2,408,370	2,471,103
Summary by Workstream					
Procurement	37,200	37,200	442,500	592,620	635,684
Transformation	125,000	125,000	768,317	1,223,643	1,231,469
Asset Management	-	-	63,497	105,567	107,678

Dept	Proposed Savings	Status	Previous	Latest	2011/12	2012/13	2013/14	Progress
			2010/11	2010/11				
			£	£	£	£	£	
	Value for Money		-	15,000	118,000	375,360	382,867	
	Base Budget Review		-	-	12,000	12,240	12,485	
	Discretionary Service Review		56,100	46,500	97,000	98,940	100,919	
	Total		218,300	223,700	1,501,314	2,408,370	2,471,103	
	Achievable Savings							
	Best Case (All savings achieved)		218,300	223,700	1,501,314	2,408,370	2,471,103	
	Worst Case (Only Green savings achieved)		203,700	218,700	518,587	544,769	555,664	
	Mid Case (Calculation using sliding scale)							
	Green Savings - 100%		203,700	218,700	518,587	544,769	555,664	
	Amber Savings - 90%		4,500	4,500	691,854	1,152,145	1,188,297	
	Red Savings - 75%		7,200	-	160,500	437,580	446,332	
			215,400	223,200	1,370,941	2,134,494	2,190,293	
	Shortfall/Surplus (-/+) assuming mid case level of savings		- 385,346	- 377,546	- 221,059	- 459,506	- 815,707	

HOUSING REVENUE ACCOUNT BASE BUDGET SAVINGS 2010/11 - 2012/13**Social Board****Key:**

Green	Savings likely to be achieved/low risk
Amber	Tentative savings - further work required/medium risk
Red	Savings require a change in Council policy or significant change in service delivery/high risk

	Status	Previous 2010/11 £	Latest 2010/11 £	2011/12 £	2012/13 £	Progress
Inflation factor		0.015	0.015	0.020	0.020	
Proposed Savings						
Review of Property Services unfilled posts	Green	0	50,000	50,000	50,000	Completed
Gas Servicing Contract	Green	0	0	20,000	20,000	Reduced servicing costs from replacement boilers.
BPR - Procure to Pay	Red	0	0	15,000	15,000	Proposal to review procure to pay processes across all departments.
Grassed Areas & Open Spaces base budget review	Green	0	29,000	29,000	29,000	Completed
2011/12 Pay Award	Green	0	0	27,000	27,000	Completed
2012/13 Pay Award	Green	0	0	0	20,000	Completed
Total Housing Revenue Account Savings		0	79,000	141,000	161,000	

CARRY FORWARD BUDGET REQUESTS**General Fund - Revenue**

Description		Reason For Carry Forward	Amount Required £
DIP maintenance	Misc.Other Supp & Services	Deferral of upgrade to avoid additional exp on hardware/installation etc. prior to the virtual server project completion	8,700
Community Safety	Miscellaneous	Additional income received from Crowded Places project funded through Central Govmnt	9,320
Selby CEF Projects Fund	Projects Fund	CEF did not commence until mid year and therefore insufficient time to establish itself and promote	9,960
Depot Relocation	General Office Expenses	Relocation following sale of the property not yet taken place	22,430
Client Core	Miscellaneous	Chief Executive maintaining flexibility	10,620
Tadcaster Regeneration	Consultants	Project delayed, difficulty in reaching agreement with landowner	12,630
Shared Procurement	Consultants	Partnership started mid year 2009 and the budget has been profiled to be partly carried fwd each year so that enough budget remains to pay the contribution for the final period of the partnership in 2013	15,500
Partnerships & Commissioning	Consultants	This is a 3 year budget agreed in 2010. Where it is not spent, it needs to be carried forward to fund activities across the 3 yr period.	14,250
Climate Change	Miscellaneous	Money earmarked for spend to save investment in video conferencing to save carbon emissions in officer travel	5,000
Councillors	Training & Development	Councillor training & development programme identified in the Councillor Development Strategy 11/12 commences May 11	13,710
CS Partner Contributions	Projects Fund	Community Safety Partnership projects ongoing	105,280
Local Strategic Partnerships	Projects Fund	Local Strategic Partnership projects are ongoing	34,880
Development Management	Specialist fees	Consultants fees to finalise the specialist planning advice	17,300
Repossession prevention	Contributions	Receipts are recycled to provide further loans	22,780
CEF Tadcaster	Projects Fund	Underspend on Tad CEF monies due to delay in development of the CDP	29,480

Appendix C

Description		Reason For Carry Forward	Amount Required £
Development Management	Planning Consultants	Work carried out by windfarm consultants has not been completed in 10/11	6,630
Southern CEF	Projects Fund	Community projects not coming forward	18,600
Eastern CEF	Various	Projects and grant applications will become more frequent in 11/12	16,410
Sherburn CEF	Projects Fund	Underspend on Sherburn CEF. Projects and grant applications will become more frequent in 11/12	10,230
Homeless Persons	Homeless strategy	Ongoing prevention work	63,310
Human Resources	Agency Staff	To fund cost of HR support during restructure	26,300
Central Admin	Salaries	Salary savings following restructure required to fund pool staff in 11/12	13,700
Accountancy	Overtime	Useage not as high as expected during closedown & budget process - to support closedown process for 10/11 accounts	1,980
Benefits NYBTG Bid 8	Training course fees	Contributions received from partners not yet committed	9,640
Accountancy	Finance System Costs	Funding required to support the implementation of the Asset Register Module of the Finance System.	7,240
Retired Officers Superannuation	Other Local Authorities	To support the Corporate restructure to assist with the strain on the pension fund as a result of redundancies.	6,630
Development Policy	Local Development Framework	To support the Corporate restructure to assist with the strain on the pension fund as a result of redundancies.	396,370
			908,880
<u>General Fund - Capital</u>			
CA Reserve	Capital Grants	Ongoing approved project - refurbishment of Central Area car park	250,000
CA Reserve	Consultancy	Ongoing approved project - refurbishment of Central Area car park	17,470
Industrial Units - Road adoption	Improvements to property	Insufficient budget to progress all remedial works	25,000
FMS Project	Project costs	Underspend due to current position in implementing the finance system to be used for e-procurement & OCR	7,930

Appendix C

Description	Reason For Carry Forward	Amount Required £
Energy Efficiency	A number of private sector loan schemes not yet completed to the satisfaction of SDC therefore final payment held over into 11/12	11,770
Repair Assistance Loans	A number of private sector loan schemes not yet completed to the satisfaction of SDC therefore final payment held over into 11/12	24,000
Capital Grants	A number of private sector loan schemes not yet completed to the satisfaction of SDC therefore final payment held over into 11/12	10,100
Virtualisation	Hardware Required for remainder of programme.	29,340
Selby Community Project	This funding requires carrying forward for the continuation of the project. The variance has occurred due to timing of invoice payments and contingency.	544,210
		919,820

Housing Revenue Account - Revenue

Revenue

Ousegate Lodge	Equipment	Planned replacement of furniture to meet modern standards	4,990
Edgerton Lodge	Reps & Maint - other	Proposed works have not yet been carried out	8,000
Designated (Non SP)	Fixtures & fittings R & M	Budget underspent pending progression of improvement plan	6,660
Choice based lettings	Contributions	Scheme set up with county partners - delay in implementation	24,940
Estate Management	Miscellaneous	Committed work carried out in April 2011	3,910
			48,500

Housing Revenue Account - Capital

Airey Properties		Additional income reqd to ensure SDC have sufficient funds to progress wks to Decent Homes standard	1,008,520
Gas Central Heating	Improvements to properties	Less gas heating replacements following the gas servicing programme than envisaged.	100,095
			1,108,615

Selby District Council

REPORT

Reference: E/11/3

Item 6 - Public



To: The Executive
Date: 2 June 2011
Status: Non Key Decision
Report Published: 24/5/11
Author: Nicola Chick Finance & Administration Manager
Executive Member: Councillor C Lunn
Lead Officer: Executive Director (and S151)

Title: Treasury Management – Outturn Report

Summary:

This report reviews the Council's Treasury Management activities for the financial year to 31st March 2011.

On average the Council's investments totalled £26.2m over the year at an average rate of 1.26% and earned interest of £330k which was slightly higher than the budget.

Borrowing totalled £12.1m at 31 March 2011, with an average interest rate of 6.47%. One long term loan of £1m matured on 31 March 2011 and no further long term borrowing was required during the year.

Recommendations:

- i. **Councillors endorse the actions of officers on the Council's treasury activities for 2010/11 and approve the report.**

Reasons for recommendation

To comply with the Treasury Management Code of Practice, the Executive is required to receive and review regular Treasury Management monitoring reports including the annual review.

1. Introduction and background

- 1.1 This is the final monitoring report for Treasury Management in 2010/11 and covers the period 1 April 2010 to 31 March 2011. During this period the Council complied with its legislative and regulatory requirements.
- 1.2 Treasury Management in Local Government is governed by the CIPFA “Code of Practice on Treasury Management in the Public Services” and in this context is the management of the Council’s cash flows, its banking and its capital market transactions, the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks. This Council has adopted the Code and complies with its requirements.
- 1.3 The Council’s Treasury Strategy, including the Annual Investment Strategy was approved by Policy & Resources Committee on 23 March 2010 and this incorporated the Prudential Indicators which had been approved by Council at its meeting on 2 March 2010.
- 1.4 The two key budgets related to the Council’s Treasury Management activities are the amount of interest earned on investments £316k (£274k General Fund, £45k Housing Revenue Account) and the amount of interest paid on borrowing £862k. The actual investment income is £330k (£274k General Fund and £56k Housing Revenue Account), and the interest charge £866k.

2. The Report

Interest Rates and Market Conditions

- 2.1 In 2010/11 the focus has moved from individual institution issues to sovereign debt issues. The Bank of England maintained interest rates at 0.5% (the “bank rate”) which is an historically low level. However deposit rates picked up modestly in the second half of the year based on prospects of an earlier start to increases in the bank rate. This was brought about by rising inflation concerns and strong first half year growth. However, the economic figures issued in March showed that growth had not continued and this has lead to a consensus of expectation that the first rate rises will now not be before August 2011.
- 2.2 Consumer Price Inflation (CPI) started the year at 3.7% and decreased slowly to 3.1% by September. However since then it has increased to 4.4% in February before dropping back to 4% in March.
- 2.3 Table 1 shows that since the start of the year there has been a rise in investment interest rates, with rates in the 3 month and beyond category now above the base rate. This reflects the market sentiment that rates will start to rise. This movement is starting to help with the interest receipts that the Council obtains from its cash balances.

Table 1: Average Interest Rates 1 April 2010 to 31 March 2011

	April 2010	June 2010	Sept 2010	Dec 2010	March 2011
Base Rate (Bank Rate)	0.50	0.50	0.50	0.50	0.50
Over Night	0.35	0.35	0.35	0.40	0.45
7 Days	0.35	0.35	0.40	0.40	0.45
1 month	0.40	0.45	0.45	0.55	0.55
3 Months	0.50	0.65	0.60	0.70	0.75
6 Months	0.75	0.95	0.90	0.95	1.05
1 Year	1.15	1.30	1.30	1.40	1.50

2.4 The Council's Treasury Advisors, Sector provided a forecasts for interest rates as part of the Treasury Management Strategy showing that the bank rate would start to rise around September 2010 and climb steadily to 4.5% by March 2013. These forecasts were kept under constant review during the year and revised as it became clear that the expectation for the bank rate rise would move further into 2011. The impact is that there is now not expected to be a rate rise before august 2011 and that it will be around 2.25% in 2013.

2.5 Sector along with other market forecasters also had to revise their forecast for the cost of borrowing from the PWLB during the year. This was due to the unexpected change of policy for lending arrangements in October 2010. This change resulted in an immediate increase in new borrowing rates of between 0.75% and 0.85%. Table 2 shows the actual PWLB rates at the end of the year compared to the forecasts during the year, and as the figures show rates are up to 0.77% higher across all periods.

Table 2: PWLB Interest Rates Forecast During Year vs Actual at 31 March 2011

	Forecast	Forecast	Forecast	Forecast	Actual
Period	1 April 2010	30 June 2010	31 September 2010	31 December 2010	31 March 2011
5 Year	2.84%	2.29%	2.20%	3.70%	3.61%
10 Year	4.14%	3.55%	3.30%	4.90%	4.75%
25 Year	4.62%	4.30%	4.30%	5.40%	5.35%
50 Year	4.65%	4.32%	4.30%	5.40%	5.29%

2.6 The Council did require any new long term borrowing in 2010/11. However with the changes to the Housing Revenue Account in respect of removing the subsidy system and self financing due to take effect in

April 2012 and the Council's borrowing requirement for that, with the help of Sector borrowing rates will be monitored closely during 2011/12.

- 2.7 The forecasts were based on moderate economic recovery and moderate Monetary Policy Committee concerns about inflation looking two years ahead. There is a high level of uncertainty in all forecasts due to the factors involved and their sensitivity to each other.

Annual Investment Strategy

- 2.8 The Annual Investment Strategy outlines the Council's investment priorities which are :
- ⊕ Security of Capital and
 - ⊕ Liquidity of its investments

These priorities are consistent with those recommended by CLG and CIPFA.

- 2.9 The Council aim was to achieve optimum return on investments commensurate with the proper levels of security and liquidity. In the current economic climate it was considered prudent to mainly keep investments short –term to enable funds to be positioned for longer deposits as rates rose. As deposits are maturing they are being invested in up to one year. This will enabling the portfolio to be positioned to take advantage of the rise in interest rates when they occur.
- 2.10 The Council continues to invest in only highly credit rated institutions using the Sector suggested creditworthiness matrices which take information from all the credit ratings agencies. Officers can confirm that the Council has not breached its approved investment limits during the year. Appendix A shows an analysis of Investments at 1 April, 30 June, 30 September, 31 December, and 31 March.
- 2.11 With interest rates available at an historical low point as mentioned in paragraph 4.4 this has had an impact on interest receipts. Although the actual interest received has achieved/exceeded the budget target of £316k the rate achieved has been below the budgeted target of 1.5% at 1.26%. This is an average rate consisting of a return of 1.34% on fixed term cash investments and 0.5% earned on balances the Council keeps in its deposit account for daily cash flow needs. The total actual investment income for 2010/11 from both sources was £330k, £274k General Fund (a surplus of £2k) and £56k Housing Revenue Account (HRA) (a surplus of £11k). The interest earned by the HRA was above target due to the changes in the HRA capital programme – the reassessment of the timeframe for the repairs to the Airey properties meant that funds allocated for this work could remain invested. However the requirement to take prudential borrowing during the year to fund additional costs within the HRA capital programme offset some of this impact though not to the same degree.

- 2.12 The average level of funds available for investment during the year was £26.2m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the capital programme. The Council holds approximately £19m of core cash balances made up of earmarked reserves and capital receipts set aside to repay debt for investment purposes (i.e. funds available for more than one year). Table 3 shows the Council's investment position as at 31 March 2011.

Table 3: Investment Portfolio Position

	31 st March 2010		31 st March 2011	
	Principal	Annual Return	Principal	Annual Return
	£'000	%	£'000	%
Total Investments:	22,717	2.66	19,196	1.00

- 2.13 A comparison benchmark of the 7 day bank rate is normally used to measure success in investment returns. However, the Council used a comparison benchmark of its budget target which was 1.50% to reflect investments which were placed during 2008/09 at rates of 6% which matured during 2010/11. The average rate achieved for the year was 1.26% (1.34% fixed investments & 0.5% deposit account) which was lower than budgeted. This was due to investments having to be placed at the available market rates which remained lower than forecast due to interest rates not being increased in line with market expectations.
- 2.14 The impact of lower than forecast interest rates meant that as investments matured and were reinvested the interest earned was less. The forecast was an average of 1.50% for investments and the average of new investments at the year end is 1.03%. Rates of between 0.50% and 1.70% are currently being offered.
- 2.15 It was forecast that cash balances available for investment would average £21.0m, however the average was £26.4m. The higher than forecast balances has mitigated the impact of the lower than forecast interest rates. The reasons for this were mainly due to changes in the profile of payments within the capital programme, changes to the capital programme as mentioned in paragraph 2.11, the impact of taking the borrowing for the Community Office project in advance of the year rather than at the end together with good collection rates for both Council Tax and Business Rates.
- 2.16 During the 2010/11 financial year the Council undertook 24 temporary investment deals which were placed with 15 institutions' on the Council's approved list. Of these 20 investments, 17 were with banks, 1 was with a building society and 6 were with other local authorities. The average value of each investment was £1.479m and the total value for the year

was £35.5m.

- 2.17 The Council is a member of the CIPFA Treasury Management benchmarking club. The full financial year benchmarking information is currently being prepared. At the start of the year at the Council was earning an average of 2.32% on its investments compared to the club average of 1.52%. At the end of December (the latest date for available figures), the average for the year to date had dropped to 1.35% for the Council and 0.95% for the Club as a whole. Clearly the interest rates remaining at such low levels is having an impact on everyone, however the Council performance whilst lower than budget was better than the Club average at this stage.

Borrowing

- 2.18 It is a statutory duty for the Council to determine and keep under review its “Affordable Borrowing Limits”. The Council’s approved Prudential Indicators (affordable limits) were outlined in the Treasury Management Strategy Statement (TMSS). A list of the limits is shown at Appendix B. Officers can confirm that the Prudential Indicators were not breached during the year.
- 2.19 The Council did not have a need to take external long term borrowing in 2010/11. One loan from the PWLB matured and was repaid on 31 March 2011. This loan has not been replaced. An analysis of the Council's current debt position is shown in Table 4.

Table 4: Current Debt Position

	31 st March 2010		31 st March 2011	
	Principal £'000	Rate %	Principal £'000	Rate %
Long Term Fixed Rate Funding:				
- PWLB (Public Works Loan Board)	4,625	6.07	3,613	5.55
- Market	6,500	8.79	6,500	8.79
Total Long Term Funding	11,125	7.66	10,113	7.63
Short Term				
- Market			2,000	0.585
Total Debt	11,125	7.66	12,113	6.47

- 2.20 For cash flow purposes the Council has temporarily borrowed a total of £7m during 2010/11 and these loans ranged between £1.0m and £1.5m. Temporary borrowing was required on six occasions. This is shown in Table 5.

Table 5: Analysis of Temporary Borrowing

	£1,000	£1,000	£1,500	£1,500
April 2010	8 Days			
May 2010	8 Days			
June 2010 (2 Loans)			1 Days	2 Days
March 2011 (2 loans)	15 Days	11 Days		

- 2.21 The Council approved an Authorised Borrowing Limit of £20.0m and an Operational Borrowing Limit of £16.0m for 2010/11. These were revised during the year to £23.0m and £19.0m respectively in order to accommodate the changes required for the implementation of International Financial Reporting Standards in respect of finance leases associated with the Council's Street Scene and Leisure Contracts. The highest total gross amount of external borrowing in the year has not been more than £12.625m on any occasion.

3. Legal/Financial Controls and other Policy matters

3.1 Legal Issues

There are no legal issues as a result of this report.

3.2 Financial Issues

There are no financial implications as a result of this report. The financial implications in respect of investment interest have been reported in the budget monitoring report. However, the Executive Director (S151) and Finance and Administration Manager with advice from the Council's advisor (Sector Treasury Services) look to maximise opportunities with the Council's investment and borrowing position.

4. Conclusion

- 4.1 The turmoil within the financial markets and the forecasts for the economy are having a major impact on the Council's investment returns. However, prudent financial management has helped to mitigate this impact by ensuring appropriate cash flows.
- 4.2 Overall the Council's in-house team achieved a lower than estimated return on investments for the year although at the end of quarter 3 the performance was above that of its benchmarking peers within the CIPFA

Treasury Management Club.

5. Background Documents

Accountancy treasury management files

Contact Details

Nicola Chick
Finance & Administration Manager
Selby District Council
nchick@selby.gov.uk

Appendices:

Appendix A – Analysis of Deposits at 1 April 2010, 30 June 2010, 30 September 2010 and 31 March 2010.

Appendix B – Prudential Indicators as at 31 March 2011

APPENDIX A

Analysis of Deposits At 1 April 2010, 30 June 2010, 30 September 2010, 31 December 2010 and 31 March 2011

Institution	At 1 April 2010			At 30 June 2010			At 30 September 2010			At 31 December 2010			At 31 March 2011		
	Amount £'000	Maturity	Rate %	Amount £'000	Maturity	Rate %	Amount £'000	Maturity	Rate %	Amount £'000	Maturity	Rate %	Amount £'000	Maturity	Rate %
Santander	1,000	12-Apr-10	0.75	1,000	12-Oct-10	1.18	1,000	12-Oct-10	1.18						
Barclays	3,000	02-Jun-10	6.20	1,000	18-Oct-10	0.79	1,000	18-Oct-10	0.79	1,000	18-Apr-11	1.00	1,000	18-Apr-11	1.00
Royal Bank of Scotland	3,000	02-Jun-10	6.20												
Clydesdale	1,000	07-Jun-10	0.53												
Santander	1,000	09-Jul-10	1.57	1,000	09-Jul-10	1.57				1,000	02-Mar-11	1.04			
Santander	1,000	11-Aug-10	1.24	1,000	11-Aug-10	1.24	1,000	11-Feb-11	1.33	1,000	11-Feb-11	1.33			
Leeds City Council	2,000	15-Sep-10	0.45	2,000	15-Sep-10	0.45									
Lloyds TSB	3,000	01-Dec-10	3.20	3,000	01-Dec-10	3.20	3,000	01-Dec-10	3.20	3,000	01-Dec-11	1.70	3,000	01-Dec-11	1.70
Nat West Bank	2,000	01-Dec-10	1.32	2,000	01-Dec-10	1.32	2,000	01-Dec-10	1.32	2,000	01-Dec-11	1.40	2,000	01-Dec-11	1.40
Leeds City Council	3,000	05-Jan-11	0.55	3,000	05-Jan-11	0.55	3,000	05-Jan-11	0.55	3,000	05-Jan-11	0.55			
HSBC*	2,000	16-May-11	1.13	2,000	16-May-11	1.13	2,000	16-May-11	1.13						
Yorkshire Bank				2,000	28-Jul-10	0.85	2,000	04-Nov-10	0.60	2,500	14-Feb-11	0.85			
Santander				1,000	02-Dec-10	1.28	1,000	02-Dec-10	1.28	1,000	12-Apr-11	1.33	1,000	12-Apr-11	1.33
Barclays				1,000	14-Dec-10	0.97	1,000	14-Dec-10	0.97	1,000	14-Mar-11	0.63	1,000	14-Mar-12	1.57
Lancashire County Council				1,000	20-Dec-10	0.50	1,000	20-Dec-10	0.50				2,000	04-Jul-11	0.70
City of Newcastle				2,000	01-Apr-11	0.60	2,000	01-Apr-11	0.60	2,000	01-Apr-11	0.60	2,000	01-Apr-11	0.60

APPENDIX A

Institution	At 1 April 2010			At 30 June 2010			At 30 September 2010			At 31 December 2010			At 31 March 2011		
	Amount £'000	Maturity	Rate %	Amount £'000	Maturity	Rate %	Amount £'000	Maturity	Rate %	Amount £'000	Maturity	Rate %	Amount £'000	Maturity	Rate %
Nat West Bank				1,000	02-Jun-11	1.35	1,000	02-Jun-11	1.35	1,000	02-Jun-11	1.35	1,000	02-Jun-11	1.35
Aberdeen City Council							1,000	31-May-11	0.60	1,000	31-May-11	0.60	1,000	31-May-11	0.60
Barclays							1,000	02-Mar-11	1.00	1,000	02-Mar-11	1.00			
Nationwide Building Society										2,000	31-Jan-11	0.65			
Dundee City Council										2,000	16-May-11	0.60	2,000	16-May-11	0.60
Basildon District Council													2,000	05-Apr-11	0.50
Total Deposits	22,000			24,000			23,000			24,500			18,000		

* The HSBC deposit was a callable investment. I.e. an investment which the bank or depositor can terminate at any time after six months with one months notice before the maturity date. HSBC decided to exercise this option and the deposit was repaid in November.

Prudential Indicators – As at 31 March 2011

Note	Prudential Indicator	2009/10 Actual	2010/11 Estimate	2010/11 Actual
1. (a)	Capital Financing Requirement - Borrowing £'000	217	4,030	3,744
1. (b)	Capital Financing Requirement - Leases £'000	2,020	2,629	2,629
	Gross Borrowing £'000	11,125	10,113	10,113
	Investments £'000	-22,717	-19,488	-19,196
2.	Net Borrowing £'000	-11,592	-9,375	-9,083
3.	Authorised Limit for External Debt * £'000	18,000	20,000	20,000
4.	Operational Boundary for External Debt * £'000	14,000	16,000	16,000
5.	Limit of fixed interest rates based on net debt %	100%	100%	100%
5.	Limit of variable interest rates based on net debt %	0%	0%	0%
6.	Principal sums invested for over 364 days			
	1 to 2 Years £'000	12,000	20,000	0
	2 to 3 Years £'000	0	15,000	0
	3 to 4 Years £'000	0	5,000	0
	4 to 5 Years £'000	0	3,000	0
7.	Maturity Structure of borrowing limits (long term debt)			
	Under 12 Months %	9.10%	20%	0.08%
	1 Year to 2 Years %	0.07%	20%	0.05%
	2 Years to 5 Years %	0.04%	50%	0.00%
	5 Years to 10 Years %	8.90%	75%	74.20%
	10 Years and above %	81.89%	75%	25.70%

Notes to the Prudential Indicators

1. Capital Financing Requirement – this is a measure of the Council's

underlying need to borrow long term to fund its capital projects. This indicator has been adjusted to reflect the impact of finance leases (1b) for the vehicles and equipment used by the contractors within the Streetscene and Leisure contracts as required under IFRS. The 2009/10 figures have also been restated for comparison.

2. Net Borrowing (Gross Borrowing less Investments) – this must not except in the short term exceed the capital financing requirement.
3. Authorised Limit for External Debt – this is the maximum amount of borrowing the Council believes it would need to undertake its functions during the year. It is set above the Operational Limit to accommodate unusual or exceptional cashflow movements. *The authorised limit was increased during the year to £23.0m to accommodate the impact of the finance leases.
4. Operational Boundary for External Debt – this is set at the Council's most likely operation level. Any breaches of this would be reported to Councillor's immediately. *The Operational limit was increased during the year to £19.0m to accommodate the impact of the finance leases.
5. Limit of fixed and variable interest rates on net debt – this is to manage interest rate fluctuations to ensure that the Council does not over expose itself to variable rate debt.
6. Principal Sums Invested for over 364 days – the purpose of these limits is so that the Council contains its exposure to the possibility of loss that might arise as a result of having to seek early repayment or redemption of investments.
7. Maturity Structure of Borrowing Limits – the purpose of this is to ensure that the Council is not required to repay all of its debt in one year.

Selby District Council

REPORT

Reference: E/11/4

Item 7 - Public



To: The Executive
Date: 2nd June 2011
Status: Non Key Decision
Report Published: 24/5/11
Author: Simon Parkinson, Housing Strategy Manager
Executive Member: Councillor J Mackman
Lead Officer: Mark Steward, Managing Director, Access Selby

Title: Private Sector Assistance Policy 2011/12

Summary: The report seeks endorsement of the Private Housing Assistance Policy 2011-12 which sets out the way in which the Council intends to support the repair, improvement and adaptation of private housing across the district.

Recommendations:

That the Executive endorses the Private Housing Assistance Policy 2011/12

Reasons for recommendation

The Executive is asked to agree the recommendation to enable the delivery of the private sector housing assistance service in 2011/12.

1. Introduction and background

1.1 Councillors approved the first Private Housing Assistance Policy in June 2003. The Policy identifies priority areas and delivery methods for private housing improvement, repair and adaptation. The Policy is reviewed each year to take account of new government guidance and legislation, changing local and regional priorities and new partnership initiatives.

2. The Report

2.1 The Private Housing Assistance Policy aims to address the following key priority areas;

- Encouraging and supporting owner-occupiers to maintain and repair their homes.
- To boost domestic energy efficiency and reduce the number of households in fuel poverty.
- Encouraging private landlords to provide good quality and well managed properties for their tenants.
- Helping people whose independence may be at risk to remain in or return to their homes.
- Maximising the use of the existing housing stock to increase the supply of decent affordable homes in the district.
- Strengthening existing and developing new partnerships to support the private housing sector.

2.2 We aim to deliver against these priority areas through a mix of advice and financial assistance which is aimed at assisting those in most need.

2.3 The comprehensive spending review has brought with it financial challenges that we have not experienced for many years. Central Government funding for private sector renewal work will cease from 2011/12. This has reduced the scope of our assistance.

2.4 The Government believes that it is primarily the responsibility of homeowners to maintain their own property. Whilst many homeowners do have the necessary funds to carry out repairs and improvements there remain many homeowners, particularly the elderly and vulnerable, who may not have access to the necessary resources to keep their homes in good repair. We will therefore need to seek alternative ways of supporting these households through the next few years.

2.5 The Disabled Facilities Grant remains the only mandatory grant available and is funded by Government grant and SDC General Fund contribution. The demand for, and increased cost of DFGs continues to place some strain on budgets and representations will continue to be made at regional and national level regarding the limitations of DFG funding in the current climate.

2.6 Elsewhere discretionary grant and loan products have been severely curtailed. We are not able to offer Home Appreciation Loan or Empty Homes Grant in 2011/12. A limited Repair Assistance Scheme will operate and is aimed at providing urgent/emergency repairs to vulnerable households at risk from imminent health and safety hazards.

- 2.7 A reduced energy efficiency grant service will be provided, funded entirely from Community Energy Reduction Target (CERT) funding and the Community Energy Saving Programme (CESP). This will target the most fuel poor wards in the district.
- 2.8 The policy is attached to this report and sets out how we propose to meet the key priority areas in more detail.

3. Legal/Financial Controls and other Policy matters

Legal Issues

The policy meets the requirements of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002. Matters relating to equality, complaint and appeal procedures are covered within the policy document.

Financial Issues

There are no additional financial implications other than those proposed within the Housing Investment Programme for 2011/12.

4. Conclusion

- 4.1 The Policy identifies the way in which the council will deliver assistance to those private sector households who need help to improvement, repair and adapt their homes.
- 4.2 The Policy is reviewed each year to take account of new government guidance and legislation, changing local and regional priorities and new partnership initiatives.
- 4.3 Financial assistance has been severely restricted this year following the Comprehensive Spending Review.

5. Background Documents

The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

The North Yorkshire Housing Strategy 2010-2015

Contact Details: Simon Parkinson
Housing Strategy Manager
Selby District Council
sparkinson@selby.gov.uk

Appendices: Appendix A: The Private Housing Assistance Policy 2011-12



PRIVATE SECTOR HOUSING ASSISTANCE POLICY

2011/12

APRIL 2011

FORWARD

The Selby District Council Private Sector Housing Assistance Policy 2011/12 (the Policy) is made under Article 3 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 Statutory Instrument No.1860 (the RRO).

The policy sets out the range of assistance that Selby District Council will make available under the RRO, as well as allowing for the provision of assistance that can be made under alternative statutory powers including mandatory Disabled Facilities Grants under the Housing Grants Construction and Regeneration Act 1996.

The policy replaces the previous edition adopted in April 2010.

The policy works within the current legislative and financial framework towards providing a decent home for all current and future residents of Selby District through various advice, support and assistance mechanisms and will aim to give priority to those most vulnerable households.

The policy will continue to evolve as existing commitments are fulfilled and local, regional and national research and policy developments take place. The next review of the policy will take place in April 2012.

1.0 INTRODUCTION

Prosperous and sustainable communities need good quality homes that are decent and safe and that meet the needs of the people who live in them. The location, type and quality of the homes we occupy can have a significant impact on all aspects of our lives.

Investing in private sector homes and ensuring standards are maintained goes a long way in delivering a wide range of positive outcomes for local residents:

- ❑ **Fewer homes that pose a risk to health or well being, and savings for health and care budgets further down the line.**
- ❑ **Improved energy efficiency, a reduction in domestic carbon emissions and fewer households in fuel poverty.**
- ❑ **More choice for those whose housing needs cannot be met through owner occupation or the social rented sector.**
- ❑ **More choice and independence for those who may be elderly or vulnerable and who wish to remain in their own home.**
- ❑ **Less anti social behaviour.**
- ❑ **Improved outcomes for families and young people.**
- ❑ **Communities that are more cohesive, attractive and economically vibrant.**

The Selby Context

In general, the district is fairly wealthy, having the highest average annual income in both York and North Yorkshire (£32,794 in 2007) and is above the national average of £30,211. However not everyone shares in this wealth. One in five private sector households (6,200) are classed as economically vulnerable, with rates being highest in the private rented sector.

The vast majority of homes in Selby district are in the private sector, either privately owned or rented from a private landlord. Whilst most of the private sector homes (76%) were built after 1945, a significant proportion are of pre-war construction and almost 4551 (15%) were built before 1919.

Most private homes in the district (85%) are lived in by the owner. The district-wide Private Sector House Condition Survey, carried out in 2006, estimated that a further 5.0% are private rented, and 5.1% are owned by Registered Social Landlords.

The supply of new homes, particularly affordable ones, has not kept pace with demand placing increasing pressure on housing in the district. In this context we must ensure every dwelling is maintained to maximise the length of its useful life. The availability of social rented homes has reduced over time, and market housing has become less accessible due to high cost. The district's private rented stock will therefore play an increasingly important role in meeting local housing needs in the years ahead.

Advances in healthcare and better standards of living have led to a growing number of older households. Almost one in three private sector households are elderly. With this has come increasing numbers of people who are frail or disabled and who need adaptations to their homes to help them retain independence and live safely. Keeping people healthy and safe in their homes reduces the need for health and care services later on.

An ageing housing stock occupied by an increasing number of households with growing needs means a requirement for significant ongoing investment. We must encourage and support owners to make use of all available funding sources to meet these costs and direct the limited public funds towards those who need it most.

2.0 LEGISLATIVE PROVISIONS AND STRATEGIC AIMS

We will seek to meet the outcomes identified on page 2 by;

- Encouraging and supporting owner-occupiers to maintain and repair their homes.
- Boosting domestic energy efficiency and reducing the number of households in fuel poverty.
- Encouraging private landlords to provide good quality and well managed properties for their tenants.
- Helping people whose independence may be at risk to remain in or return to their homes.
- Maximising the use of the existing housing stock to increase the supply of decent affordable homes in the district.
- Strengthening existing and developing new partnerships to support the private housing sector.

The comprehensive spending review will challenge us to deliver against these objectives. Central Government funding for private sector renewal work will cease from 2011/12.

The Government believes that it is primarily the responsibility of homeowners to maintain their own property.

Many homeowners have the necessary funds to carry out repairs and improvements - although they may benefit from receiving practical advice. However, there remain many homeowners, particularly the elderly and vulnerable, who may not have access to the necessary resources to keep their homes in good repair. We will need to seek alternative ways of supporting these households through the next few years.

Sub-regionally, the policy takes account of the 3 themes laid out in the North Yorkshire Housing Strategy 2010-2014;

- Creating better places.
- Delivering better homes, choice and opportunity.
- Ensuring Fair Access to Quality Housing.

Locally the Policy contributes to the council's Strategic Themes by....

Creating **Healthier Communities** through improved housing conditions which benefit the health and safety of the most vulnerable households.

Promoting Prosperity by providing a diverse and good quality housing that people can afford.

3.0 ACHIEVING OUR AIMS

This is how we will work together towards meeting the aims of this policy;

Encouraging and supporting owner-occupiers to maintain and repair their homes.

Advice Service

Initial advice to tenants or owners of occupied properties may be provided by either the District Council's Private Housing Team or the Selby Home Improvement Agency.

Detailed advice is available on financial assistance, including current loan or grant eligibility, home maintenance guidance, and landlord/tenant responsibilities in respect of repairs, fire safety and good management. The Home Improvement Agency will provide links to North Yorkshire Adult and Community Services and to voluntary agencies.

Financial Assistance

We no longer have the budgetary resources to provide the previous suite of loans to help financially vulnerable householders achieve and maintain the overall condition of owner occupied dwellings across the district.

Funding for the regionally based Homes and Loans service has been cut. Therefore the Home Appreciation Loan – an equity release type product specifically aimed at improving houses up to the decent homes standard - will no longer be available in 2011/12. The Homes and Loans Team will continue as a skeleton service to administer existing loans and to process the recovery of previously paid loans on sale of property. Whilst redeemed loans may provide some recycled income to generate new activity in future year's predictions are that only £100,000 (across the whole of the Yorkshire and Humber region) will be recovered in 2011/12

Repair Assistance Scheme – a skeleton RAS service will be offered to provide urgent/emergency repairs to vulnerable households at risk from imminent health and safety hazards. Loans are available up to £4,000. The loan is available to those unable to afford monthly repayments and is repayable upon sale of the property. This loan is administered by Selby District Council outside the scope of the Yorkshire and Humber Homes and Loans Service.

The **Home Improvement Agency Handyperson Service** will remain in place – this service (funded by NYCC) carries out a wide range of low cost work including; small home repairs (eg. to doors, windows, plumbing...), odd jobs (eg. curtain rails, shelves, light bulbs), minor adaptations (eg. hand rails, special taps, ramps), home safety checks, and security (locks, chains, spy holes).

Boosting domestic energy efficiency and reducing the number of households in fuel poverty.

Advice Service

Free, impartial, locally relevant energy efficiency advice is available from the Energy Savings Trust advice centre (ESTac) for York and North Yorkshire. The ESTac offers guidance on what people can do in their home to reduce its impact on the environment and to access available energy efficiency grants.

The York and North Yorkshire **Hotspots** scheme was launched last year. Hotspots is a simple card referral scheme which aims to alleviate fuel poverty in vulnerable homes. The scheme promotes partnership working and cross referrals between organisations in North Yorkshire and the City of York. Through effective partnership working the scheme seeks to enable income maximisation, improvements of energy efficiency in the home and assist resident to access cheaper fuel. In addition the scheme also provides free fire safety advice in partnership with the York and North Yorkshire Fire and Rescue service. Key staff at the Council and in other key organisations are trained in how to make a Hotspots referral.

Financial Assistance

Funding for our energy efficiency grant programme has previously come from government grant. As indicated earlier this funding has ceased from 2011/12. However the council has 'banked' Community Energy Reduction Target (CERT) funding levered in from previous years grant activity and will use this to support a grant programme in 2011/12.

Selby Home Insulation Programme – aims to target provides insulation and or heating measures for households in the most fuel poor wards in Selby district.

Government's Warm Front Grant – has recently been updated to assist fuel poor households who own and live in properties with a SAP rating of 55 or under and offers a range of measures including insulation and heating improvements.

Community Energy Saving Programme - this government created scheme delivers improved domestic energy efficiency in the country's most deprived areas via a house-by-house, street-by-street approach. In Selby we will work in partnership with energy suppliers, electricity generators and the local Energy Partnership to deliver the scheme to eligible households.

Leeds City Region Domestic Energy Efficiency Programme (DEEP) - The DEEP project provides a unique opportunity for the Leeds City Region Authorities to work in partnership, facilitating energy efficiency measures and carbon savings to domestic customers. The programme will utilise CERT funding to provide a carbon credit to customers and will seek to minimise personal contributions to energy efficiency measures through subsidy from a variety of sources. In the short term it is likely that public subsidy and utility funding will focus primarily on property insulation delivering lower cost carbon savings. However, the emerging DEEP model aims to be sufficiently robust to facilitate carbon savings opportunities as both the focus on subsidies and customer behaviour changes up to interim 2020 energy saving targets and beyond.

Encouraging private landlords to provide good quality, well managed and affordable properties for their tenants

Our support of private sector landlords and tenants will be reinforced by 4 key commitments;

- a) Encourage owners to join the **Selby Landlord Accreditation Scheme** and in doing so recognise those landlords that are committed to meeting high standards of accommodation and management and providing tenants with clear guidance on where to find quality housing.
- b) Improve the condition of all houses in multiple occupation (HMOs) and smaller shared houses through promotion of the North Yorkshire Fire Safety Standard, by providing encouragement and advice through the Selby Landlords forum and as at last resort, through enforcement of relevant legislation.
- c) Maintain and where possible improve energy efficiency of private rented homes through advice and grant assistance offered by ESTac.
- d) Provide support to vulnerable tenants in accessing good quality accommodation through the **Bond Guarantee Scheme**.

Helping people whose independence may be at risk to remain in or return to their homes

Advice Service

Initial advice to private tenants or owner occupiers may be provided by either the District Council's Environmental Health Section or the Selby Home improvement Agency. In partnership we will seek to ensure that those who need adaptations to help them remain in or return to their accommodation receive the appropriate level of advice, support and assistance either through Mandatory Disabled Facilities Grant, through the minor adaptations service offered by North Yorkshire Adult and Community Services or by other means as deemed appropriate.

Financial Assistance

Disabled Facilities Grant - Mandatory assistance will continue to be provided - up to a maximum of £30,000 - to enable disabled people to live independently in their own homes. Necessary works will be identified in consultation with Adult and Community Services at the County Council and within the requirements of the Housing Grants, Construction and Regeneration Act 1996 (as amended).

Adaptations are available to facilitate access either internally or externally (including stairlifts and ramps), to provide necessary washing facilities (level and wet floor showers) and to provide suitable kitchen facilities (alterations to sink/worktop height). Other general works can also be considered.

Enquiries for all DFG assistance will be processed based on a need assessment carried out in line with the Selby District Council DFG Prioritisation Scheme. The Home Improvement Agency will administer the DFG service in partnership with the Council.

It is expected that tenants of social housing would first approach their own landlords for assistance with adaptations and applications under this policy will normally only be considered if the social landlord is unwilling or unable to assist.

Maximising the use of the existing housing stock to increase the supply of decent affordable homes in the district

Advice Service

We will seek to encourage owners of long term empty properties to take appropriate action to bring them back into use. We can assist with advice regarding selling, letting and renovating. When necessary, and as at last resort, we will aim to achieve re-occupation through enforcement of relevant legislation including Compulsory Purchase and Empty Dwelling Management Order.

Financial Assistance

We do not currently have the budgetary resources to provide financial assistance to owners of empty properties.

Strengthening existing and developing new partnerships to support the private housing sector.

We will target the following key areas in our partnership working during 2010/11;

- ❑ Further develop clear strategic leadership for private sector housing standards across the district.
- ❑ Work with our North Yorkshire colleagues to develop a bulk procurement service for disabled adaptations across the sub-region to achieve a more streamlined and efficient approach to the adaptation process.
- ❑ Support the Leeds City Region Domestic Energy Efficiency Project aimed at boosting domestic energy efficiency across the LCR region.
- ❑ Improve other joint working between key agencies delivering services relevant to this policy.

4.0 RESOURCING THE POLICY

It is generally agreed that the primary responsibility for repairing and maintaining homes must rest with the property owner. Indeed owners have invested significant resources into the private sector housing stock over recent years, helping raise standards across the district.

Several agencies across the district continue to work closely together to help encourage and support this investment.

Selby District Council

- ❑ Provides general advice and information to owners, landlords and tenants regarding legal rights and responsibilities and home maintenance issues.
- ❑ Gives advice about how to access sources of finance, such as savings tied up in the property, to fund repairs and improvements.
- ❑ Supports the Hotspots referral scheme which seeks to boost energy efficiency, reduce fuel poverty and improve fire safety.
- ❑ Provides financial help to bring empty properties back into use for vulnerable households, particularly homeless families.
- ❑ Has developed a landlord accreditation scheme which provides recognition to landlords who take a responsible approach to letting their properties.
- ❑ Has helped to develop a North Yorkshire Fire Safety standard to help protect residents in the private rented sector.
- ❑ Provides wider planning and neighbourhood management services working to create safe and sustainable communities
- ❑ Implements enforcement powers granted under the Housing Act 2004, used as a last resort, to ensure owners maintain properties to relevant standards, address anti social or nuisance behaviour and tackle long term empty properties.

Selby Home Improvement Agency (HIA)

- ❑ Provides advice and help to elderly, disabled and vulnerable people to remain independent in their own homes by identifying necessary repairs, finding contractors and managing work through the councils grant and loan initiatives.
- ❑ Provides a handyperson service for vulnerable private sector residents.
- ❑ Supports the Hotspots referral scheme which seeks to boost energy efficiency, reduce fuel poverty and improve fire safety.

Yorkshire and Humber Homes and Loans Service

- ❑ Administers the regional loan scheme on behalf of the council.
- ❑ Uses it's expertise to develop new loan products to target regional housing priorities.

Energy Saving Trust advice centre (ESTac) for North Yorkshire and the Humber

- Promotes energy efficiency and provides free, impartial, locally relevant advice on what people can do in their home to reduce its impact on the environment and to access available energy efficiency grants.

North Yorkshire Adult and Community Services

- Provides specialist and financial top-up support through the Occupational Therapist service towards the administration of the Disabled Facilities Grant.
- Provides minor disabled adaptations and equipment as necessary.

North Yorkshire Fire and Rescue Service

- Provides fire safety checks for vulnerable households through the Hotspots referral scheme.
- Assists with the inspection of Houses in Multiple Occupation (HMOs) and helps deliver the North Yorkshire Fire Safety Standard.

It is generally agreed that public money should only be used to help vulnerable groups who require mandatory assistance through the DFG programme or are not in a position to maintain their homes or where it is a cost effective way of meeting broader objectives like increasing the number of affordable homes.

There remains significant equity potential within the owner occupied sector. Our key challenge will be how to help owners release this money to fund necessary repairs and improvements.

The indicative funds available to support this policy for 2011-12 are:

	£000's
Private Sector Renewal Programme *	20
Energy Efficiency Assistance**	40
Home Improvement Agency	39
Regional Loans Service (across North Yorkshire)	0
Disabled Facilities Grant***	300

* 100% funded from Regional Housing Board Investment Programme

** 100% funded from the Community Energy Reduction Programme (CERT)

*** £145k funded from Specified Capital Grant

5.0 GENERAL PROVISIONS RELATING TO THE POLICY

This Private Housing Assistance Policy has been developed to comply with the Regulatory Reform (Housing Assistance)(England and Wales) Order 2002 and Government guidance. The Council will ensure that the policy and the services identified within it are directly accessible through both the council and the Selby Home Improvement Agency.

The following general provisions will apply throughout the policy:

- ❑ Before any financial assistance is provided, the council will set out in writing to each person the terms and conditions relating to such assistance.
- ❑ A person's ability to contribute towards or repay any assistance is taken into account.
- ❑ Clear details will be given in writing to any applicant for financial assistance of any fees and charges that will be levied prior to any works commencing.
- ❑ Risk and fraud is minimised by following Government's Housing Renewal Guidance and working closely with the Council's Audit Team.
- ❑ Financial assistance would not normally be available to improve, adapt or repair living accommodation of Registered Social Landlords (RSLs) on the basis that RSLs should have robust business plans which will ensure their properties have achieved the Government's Decent Homes Standard by 2010. The only exception to this provision will be in the provision of assistance through mandatory Disabled Facilities Grant. Applications for Disabled Facilities Grant will be considered from RSL tenants. However in such instances the Council will expect the RSL to have explored all alternative solutions prior to encouraging such an application. The Council does have recourse to enforcement action in respect of RSL property in line with its Private Sector Housing Enforcement Policy.
- ❑ Payments of financial assistance will normally be made on full and satisfactory completion of works with the discretion to make interim payments for actual work undertaken resting with the Authority. To safeguard against fraud, payments will normally be made direct to the contractor. However, the Council reserves the right to make payment to the applicant in certain circumstances.
- ❑ The Council will only provide financial assistance for home energy efficiency measures where an individual is unable to obtain assistance through the Government's Warm Front Scheme.
- ❑ The Council will seek to process all loan and grant applications from receipt of initial enquiry to completion within reasonable time scales. There are currently no such nationally-defined time scales. However the Council, through working with our sub-regional local authority partners, has introduced the following local performance indicator specifically in respect of the DFG process;

The average time taken (in calendar days) to process DFG enquiries to approval stage in 2010/11 was 143 days.

We will seek to introduce other relevant performance targets at the next policy review date.

6.0 EQUALITY AND DIVERSITY

The Private Housing Assistance Policy complies with the council's Equality Policy by:

- ❑ Assessing the likely impact of proposed policies on the promotion of equality.
- ❑ Carrying out equality monitoring in services.
- ❑ Ensuring full access to information about housing assistance services.

The Private Housing Assistance Policy aims to comply with the Human Rights Act 1998 and relevant anti-discrimination legislation – the Sex Discrimination Act 1975, the Race Relations Act (amended) 2000, the Disability Discrimination Act 1995. In doing so the council wishes to fulfill its widest duty to the residents of Selby District and those who will make their homes here in the future, to support and promote diversity, and to enable service users, some of whom are amongst the most vulnerable of all, to establish themselves as positive members of local and wider communities.

7.0 COMPLAINTS PROCEDURE

A complaint is defined as an expression of dissatisfaction, however made, about the standard of service, administrative actions or lack of such action by the council or their member of staff affecting an individual customer or group of customers.

Any individual is entitled to exercise their right to complain regarding their dissatisfaction with the services that they have received from the council. All complaints about services or the council will be dealt with in line with the council's established Complaints procedure.

The council's complaints procedure contributes to delivering a high quality service to the public to ensure that the council's standards of performance and providing the public with prompt and effective services are achieved.

If a complaint is received, the council will respond as follows:-

- ❑ Written acknowledgment to the complainant within 5 working days including details of the person investigating the complaint.
- ❑ A full written explanation of the council's findings and details of proposed action to resolve the complaint will be sent within 15 working days.
- ❑ Where it is not possible to give a full explanation within 15 working days, the council will inform the complainant of the delay and the reason for the delay. The complainant will be informed of a date by which a final reply will be received.

If the complainant is not satisfied with the reply, he/she can contact the Chief Executive, who will investigate further and respond to the complainant accordingly.

8.0 APPEALS PROCEDURE

The process is available to anyone who is dissatisfied with an officer's decision made in line with the council's Housing Assistance Policy. The process will also apply in cases where the council is seeking repayment of financial assistance under conditions which were set out at the time the assistance was given, but the person from whom the repayment is being sought wishes the council to consider waiving the repayment.

Appeals on issues relating to Home Appreciation Loans should be made in writing to the council, stating the nature of and the reasons for the appeal. The appeal will then be considered by the Special Cases Panel of the Homes and Loans Service. The Regional Loans Manager will notify the appellant of the outcome of the appeal giving full reasons for the decision.

Appeals on issues relating to all other assistance schemes should be made in writing to the council, stating the nature of and the reasons for the appeal. The facts of the case will be reviewed by the relevant Lead Officer and Business Manager who will notify the appellant of the outcome of the appeal giving full reasons for the decision.

In all cases the Council may request any additional information as felt necessary from the appellant for a fully informed decision to be made on the matter.

Selby District Council

REPORT

Reference: E/11/5

Item 8 - Public



To: The Executive
Date: 2 June 2011
Status: Non Key Decision
Report Published: 24/5/11
Author: Keith Dawson, Director of Community Services
Executive Member: Councillor Mrs G Ivey
Lead Officer: Janette Barlow, Director of Business Services

Title: North Yorkshire Building Control Partnership

Summary: The report outlines a variation of the North Yorkshire Building Control Partnership agreement relating to the governance of the Partnership.

Recommendations:

- (i) That with effect from June 2011 the number of elected Members representing this Council on the North Yorkshire Building Control Partnership will be reduced from two to one.
- (ii) The variation of the North Yorkshire Building Control Partnership agreement to effect this change is approved.

Reasons for recommendation

To endorse a decision taken at the last meeting of the North Yorkshire Building Control Partnership.

1. Introduction

- 1.1 The North Yorkshire Building Control Partnership was formed in April 2001 as a partnership between Selby and Ryedale District Councils.
- 1.2 The partnership has operated continuously since being formed and has since expanded to include Hambleton, Scarborough, and Richmond Councils. It is subject to the North Yorkshire Building Control Management

The Executive
2 June 2011

Board, which consists of two elected members from each partner authority. As the partnership has expanded the number of Councillors on the Partnership Board has increased to 10, each with an equal vote.

2. Discussion

- 2.1 At the last meeting of the Partnership it was agreed to simplify the current governance arrangements to one Member with one vote per Council. Councils would be able to appoint one Councillor plus a substitute to ensure a quorum at each Board meeting.
- 2.2 The Partnership Board meets quarterly with an annual meeting taking place in June each year. The change to one Member with one vote per Council is to take effect from the Partnership's annual meeting in June 2011 and would bring representation in line with risk.
- 2.3 A variation of the North Yorkshire Building Control Partnership agreement is required in order to implement this change in governance arrangements.
- 2.4 Appendix One contains the necessary variation to the present legal agreement.

5. Legal/financial and other control/policy matters

There are no direct financial implications.

Appendix One contains the necessary variation to the present legal agreement.

6. Conclusion

The Executive is requested to endorse the decision taken at the last meeting of the North Yorkshire Building Control Partnership.

Appendices:

Appendix 1 – Variation to Legal Agreement

Agenda Item 6

NORTH YORKSHIRE BUILDING CONTROL PARTNERSHIP AGREEMENT OF VARIATION

THIS AGREEMENT is made the _____ day of _____ 2011

BETWEEN

- (1) **RYEDALE DISTRICT COUNCIL** of Ryedale House Malton North Yorkshire YO17 7HH ("Ryedale")
- (2) **SELBY DISTRICT COUNCIL** of the Civic Centre Portholme Road Selby YO8 4SB ("Selby")
- (3) **HAMBLETON DISTRICT COUNCIL** of Civic Centre, Stone Cross, Northallerton, North Yorkshire, DL6 2UU ("Hambleton")
- (4) **SCARBOROUGH BOROUGH COUNCIL** of The Town Hall St Nicholas Street Scarborough, North Yorkshire ("Scarborough")
- (5) **RICHMONDSHIRE DISTRICT COUNCIL** of Swale House, Frenchgate, Richmond, North Yorkshire, DL10 4JE ("Richmondshire") (The parties are hereinafter referred to collectively as "the Councils")

IT IS HEREBY AGREED as follows:-

1 Definitions and Interpretations

In this Agreement the following words and expressions have the following meanings:

- 1.1 The Agreement means an Agreement dated 1 April 2010 made between the Councils
- 1.2 The clause headings do not form part of this deed and shall not be taken into account in its construction or interpretation.

2 Recitals

- 2.1 This agreement is supplemental to the Agreement
- 2.2 The parties desire to alter the terms of the Agreement as mentioned below

3 Variation

- 3.1 It is mutually agreed that the Agreement shall be varied as follows:
The following replacement shall be made as though it had been contained in the Agreement at the date of execution:

3.1.1 In Clause 1.2 of the Agreement the word 'two' in the first line shall be replaced by the word 'one'

4 Confirmation of the Agreement

Save as modified by this agreement the Agreement shall continue in full force and effect in all respects.

IN WITNESS whereof the parties hereto have executed this Agreement the day and year first before written

THE COMMON SEAL of THE)
HAMBLETON DISTRICT COUNCIL)
was hereunto affixed)
in the presence of:-)

Head of Service – Legal

THE COMMON SEAL of THE)
RYEDALE DISTRICT COUNCIL)
was hereunto affixed and is)
authenticated by:)

Chairman

Council Solicitor

THE COMMON SEAL of)
SELBY DISTRICT COUNCIL)
was hereunto affixed)
in the presence of:-)

Chairman of
the Council

Chief Executive

THE COMMON SEAL of)
SCARBOROUGH BOROUGH)
COUNCIL)
was hereunto affixed)
in the presence of:-)

Head of Service – Legal

THE COMMON SEAL of)
RICHMONDSHIRE DISTRICT)
COUNCIL)
Was hereunto affixed in)
The presence of)

Head of Service – Legal

DATED

2011

RYEDALE DISTRICT COUNCIL

- and -

SELBY DISTRICT COUNCIL

- and -

HAMBLETON DISTRICT COUNCIL

-and-

SCARBOROUGH BOROUGH COUNCIL

-and-

RICHMONDSHIRE DISTRICT COUNCIL

VARIATION AGREEMENT

Relating to the North Yorkshire Building Control Partnership

Anthony Winship
Council Solicitor
MALTON

Selby District Council

REPORT

Reference: E/11/6

Item 9 - Public



To: The Executive
Date: 2 June 2011
Status: Key Decision
Report Published: 23 May 2011
Author: Jonathan Lund, Deputy Chief Executive
Executive Member: Leader of the Council
Lead Officer: Keith Dawson, Director of Community Services

Title: Selby College Sports Pitch

Summary: This report asks the Executive to consider whether to release the sum of £250,000 towards the cost of providing an all weather sports pitch at Selby College and subject to the provision of a community use agreement to secure appropriate community access to the new facility or pursue the alternative of investment at Abbey Leisure Centre.

Recommendations:

- i. **To consider whether to release £250,000 from the Council's Capital Programme as a contribution towards the Selby College Sports Pitch Project and subject to an appropriate community use agreement at the site; or**
- ii. **Pursue the refurbishment of the existing all weather pitch at Abbey Leisure Centre with the Council's leisure service partner.**

Reasons for recommendation

The Executive is asked to determine a way forward so that Selby College knows whether or not the Council is likely to support its scheme.

1. Background

- 1.1. A number of years ago Selby District Council entered into agreements with Selby College and Selby Town Football Club designed to facilitate the relocation of the Football Club from its

current ground adjacent to the Abbey Leisure Centre to new facilities adjacent to the College, together with the provision of an all weather pitch with community facilities on the College site.

- 1.2. For a number of reasons it became clear that the Football Club would be unable to proceed with the project and, in February 2010, the College approached Selby District Council to discuss the possibility of delivering a substantial part of the project in partnership.
- 1.3. The proposal was to upgrade the existing grass pitches at the college site; provide a new, floodlit, 3rd Generation (3G) all weather pitch; four FA approved team and officials' changing rooms; a community hall, meeting room, ancillary kitchen and toilets. The South Selby Tenants' and Residents' Association were also closely involved in the proposals and agreed to develop a community use agreement for the new facilities.
- 1.4. Funding for the proposal would come from the College, Selby District Council, the Football Association, the Coalfield Regeneration Trust and, potentially, from a renegotiated section 106 agreement in respect of the Staynor Hall development. This latter contribution would depend on whether support could be obtained to divert the section 106 agreement funding intended to provide a community centre at Staynor Hall on the basis that the new community facility at the College could serve the whole of South Selby.
- 1.5. Selby College agreed to lead the project, draw up plans, obtain planning permission and procure the development. Selby District Council set aside £250,000 in the capital programme in the 2010/11 budget. In addition a further £65,000 was secured as a section 106 contribution to the scheme arising from the re-development of the neighbouring Tate and Lyle site, which included development of a derelict former sports pitch.
- 1.6. However, over time it became clear that the £250,000 sought from the Coalfield Regeneration Trust would not be granted and the Football Association began to significantly reduce its promise of funding from an initial £350,000 to £100,000. It was also clear that, as a result of the slowdown in the housing market, even if agreement could be obtained, the obligation on the developers of the Staynor Hall site to provide community facilities would not coincide with the timetable for the proposed sports pitch development. As a consequence the scale and scope of the proposal was reduced significantly.

2. The Current Proposal

- 2.1. The current proposal is to use funding from Selby College, Selby District Council (£250,000) and the Tate and Lyle Site s106 funding (£65,000) to provide a new floodlit and fenced, 3G all weather sports

pitch at the college site together with a community use agreement providing community access to the facility. Changing rooms would be provided in the College's existing buildings until such time as external funding for dedicated changing facilities could be secured. There would be no community hall or meetings rooms.

- 2.2. The College would manage and maintain the site and would retain the income generated from hire, including making provision for repair and replacement.
- 2.3. The Council's current all weather sports pitch at Abbey Leisure Centre is in a deteriorating state of repair and would need to be comprehensively refurbished in the near future if it was to continue in use. Investment in a new facility at Selby College could mean that the facility at the Abbey Leisure Centre could be closed. Whilst this would remove a small income stream at Abbey Leisure Centre (currently £17,000 per year) it would also relieve the council of a liability for repair and maintenance and could open up the site for appropriate redevelopment.
- 2.4. These possibilities were explained to Wigan Leisure and Cultural Trust (WLCT) before the existing contract with them was entered into.

2.5. The Alternative

- 2.6. As an alternative to supporting a new all weather pitch at Selby College the Council has discussed the possibility of investing in the existing Abbey Leisure Centre pitch.
- 2.7. WLCT has indicated that it would welcome such an investment and has advised that the provision of a new 3G rubber-filled carpet suitable for both soccer and hockey would cost up to £250,000 and would take up to 6 months to design, procure and implement. There is some risk that, once the existing carpet is removed, more substantial works to the substructure may be necessary that would add to the costs. WLCT is confident that if the works were undertaken the new facility could generate an annual income of £40,000 - £50,000 pa. WLCT would be willing to discuss the potential of sharing with the Council both the initial cost of refurbishment and the additional income.
- 2.8. Such a shared investment would, however, necessitate leaving the site as a sports pitch for the remaining life of the Leisure Service contract (9 years)

3. Legal/Financial Controls and other Policy matters

3.1. Legal Issues

- 3.2. There are no legal issues arising from this report beyond the need to draft and enter into an appropriate community use agreement with Selby College if the Executive agrees to contribute £250,000 to the Selby College Sports Pitch Project.
- 3.3. The section 106 agreement entered into in respect of the former Tate and Lyle site provides that the developer pays a sports pitch contribution of £65,000 to the Council. The Section 106 Agreement requires the Sports Pitch Contribution to be used towards the provision of sports facilities or enhancement and improvement of facilities at Selby College pursuant to the planning permission granted for new changing facilities/function room and an all weather floodlit sports pitch.
- 3.4. Financial Issues**
- 3.5. The Council's capital programme includes the sum of £250,000 towards the Selby College Project (although at the time the provision was set aside the project included provision of a community centre/hall/meeting room).
- 3.6. The £65,000 section106 contribution has been received by the Council and is ready to be allocated.

4. Conclusion

- 4.1. The Council has up to £250,000 available to invest in a new all weather sports pitch and has the option of:
- a. Investing in a new facility at Selby College in return for agreed community use, relinquishing a liability for future management, maintenance and repair, foregoing a small income stream and releasing a site adjacent to the Abbey Leisure Centre for appropriate redevelopment; or
 - b. Investing in partnership with WLCT in the existing Abbey Leisure Centre all weather pitch, retaining overall responsibility and control and closing off the option of redevelopment in the medium term, but retaining a share of a forecast additional income.

Background Documents

Contact Details: Jonathan Lund (jlund@selby.gov.uk)

Appendices: None