

# Selby District Council



## Agenda

Meeting: **Executive**  
Date: **Thursday 3 September 2015**  
Time: **4.00pm**  
Venue: **Committee Room**  
To: **Councillors M Crane (Chair), J Mackman (Vice Chair),  
C Lunn, C Metcalfe and D Peart.**

1. **Apologies for absence**
2. **Minutes**

The Executive is asked to approve the minutes of the meeting held on 2 July 2015 (pages 1 to 8 attached).

3. **Disclosures of Interest**

A copy of the Register of Interest for each Selby District Councillor is available for inspection at [www.selby.gov.uk](http://www.selby.gov.uk).

Councillors should declare to the meeting any disclosable pecuniary interest in any item of business on this agenda which is not already entered in their Register of Interests.

Councillors should leave the meeting and take no part in the consideration, discussion or vote on any matter in which they have a disclosable pecuniary interest.

Councillors should also declare any other interests. Having made the declaration, provided the other interest is not a disclosable pecuniary interest, the Councillor may stay in the meeting, speak and vote on that item of business.

If in doubt, Councillors are advised to seek advice from the Monitoring Officer.

**4. Financial Results and Budget Exceptions Report to 30 June 2015 – Key Decision**

Report E/15/9 outlines the financial results and budget exceptions for quarter one to 30 June 2015 (pages 9 to 21 attached).

**5. Treasury Management – Monitoring Report to 30 June 2015 – Key Decision**

Report E/15/10 reviews the Council's borrowing and investment activity for the three month period 1 April 2015 to 30 June 2015 and presents performance against the Prudential Indicators (pages 22 to 30 attached).

**6. Medium Term Financial Strategy – Key Decision**

Report E/15/11 presents an update to the revised Medium Term Financial Strategy (MTFS) approved by Council in December 2014 (pages 31 to 60 attached).

**7. Renewable Energy Feasibility – Key Decision**

Report E/15/12 presents the findings of a feasibility study on the potential for renewable energy projects as part of the Council's Programme for Growth and its approved savings plan (pages 61 to 66 attached).

**8. A Review of Temporary Accommodation Requirements**

Report E/15/13 reviews the current temporary accommodation provision at Edgerton Lodge and Ousegate Lodge and looks at options for future provision for the service as part of a wider review of the council's assets (pages 67 to 75 attached).

**9. Housing Development Strategy Phase 2 Update**

Report E/15/14 outlines the further work undertaken on the viability of sites as part of the Housing Development Strategy Phase 2 and proposed some changes (pages 76 to 81 attached).

**10. Customer Strategy**

Report E/15/15 proposes the draft Customer Strategy for adoption (pages 82 to 122 attached).

**11. Community Engagement Forums – Review of Arrangements and Changes to the Constitution**

Report E/15/16 summarises the findings of a review of the Community Engagement Forums and the minor constitutional changes to strengthen transparency and governance arrangements that will be proposed to Council at its meeting on 8<sup>th</sup> September (pages 123 to 140 attached).

## **12. York, North Yorkshire and East Riding (YNYER) Spatial Plan**

Report E/15/17 outlines the York, North Yorkshire and East Riding (YNYER) Spatial Plan (pages 141 to 179 attached).

## **13. Amendments to the Constitution**

Report E/15/18 summarises proposes changed the Financial Procedure Rules, the Terms of Reference of Audit and Governance Committee, the delegations to the Monitoring Officer and the Code of Practice for dealing with Planning Matters in the Constitution. (pages 180 to 202 attached).

**Mary Weastell**  
**Chief Executive**

<b>Dates of next meetings</b>
<b>17 September 2015 - Executive Briefing</b>
<b>1 October 2015 - Executive</b>

Enquiries relating to this agenda, please contact Palbinder Mann, Democratic Services Manager on:  
Tel: 01757 292207  
Email: [pmann@selby.gov.uk](mailto:pmann@selby.gov.uk)

# Selby District Council



## Minutes

### Executive

Venue:	Committee Room, Civic Centre, Selby
Date:	Thursday 2 July 2015
Time:	4pm
Present:	Councillors M Crane (Chair), J Mackman (Vice Chair), C Lunn, C Metcalfe, and D Peart.
Officers present:	Chief Executive, Deputy Chief Executive, Executive Director (s151), Director of Community Services, Lead Officer - Communications, Lead Officer – Finance (item 4), Business Development Officer (items 5 to 7), Business Development Manager (item 8), Lead Officer – Contracts (item 11) and Democratic Services Manager.
Also Present:	Councillors J Crawford and B Packham, Andy Whatmore and Jeff Gorse (Wigan Leisure and Culture Trust)
Public:	1
Press:	0

NOTE: Only minute numbers 19 to 26 are subject to call-in arrangements. The deadline for call-in is 5pm on Wednesday 15 July 2015. Decisions not called in may be implemented from Thursday 16 July 2015.

## 16. Apologies for Absence

There were no apologies for absence.

## 17. Minutes

The Executive considered the minutes from the last meeting on 4 June 2015. It was stated that the first sentence of paragraph three under item five should be amended to read as follows:

*Long term borrowing totalled £60.3m at the end of the financial year, with interest charged at an average rate of 4.19%.*

### **RESOLVED:**

**To approve the minutes of the meeting held on 4 June 2015 with the above amendment for signing by the Chair.**

## 18. Disclosure of Interest

Councillor J Mackman declared an "Other Interest" in Minute 26 below Riccall Garages arising from his appointment by the Council to the Selby and District Housing Trust. He agreed to make a statement and then leave the room during the consideration and voting on this item.

## 19. 2014/15 Financial Results and Budget Exceptions Report to 31 March 2015 – Key Decision

Councillor C Lunn presented the report which provided the 2014/15 financial results and budget exceptions to 31 March 2015.

Councillor C Lunn explained that the Council's year end results for 2014/15 had given a surplus of £429k on the General Fund. It was also explained that there had been a slippage in the Capital Programme. Whilst the savings were short of the target however overall the results were positive.

In response to a query regarding the additional income, the Executive Director (s151) explained that the additional income had arisen from new funding from business rates and an increase in planning fees.

### **RESOLVED:**

- i) To carry forward the funds set out in Appendix D (£1.003m Revenue and £1.436m Capital) from 2014/15 to 2015/16;**

Executive  
2 July 2015

- ii) **To transfer the £366k Core and Communities Selby General Fund surplus to the Contingency Reserve to support future cost pressures.**
- iii) **To transfer the £63k Access Selby General Fund surplus to the 'Access Selby Reserve';**
- iv) **To transfer the additional £82k Core HRA surplus to the 'HRA Major Repairs Reserve' to support the future capital programme;**
- v) **To transfer the £157k Access Selby HRA surplus to the 'HRA Balances (Access Selby)' for reinvestment in services.**
- vi) **To endorse the transfer of the £76k Business Rates Retention income to the Business Rates Equalisation Reserve.**
- vii) **To endorse the transfer of £47k of the s106 monies to the Open space maintenance Reserve & £126k to the Affordable Housing Contribution Reserve.**

***Reasons for the decision***

*To allow projects and initiatives not completed in year to be rolled over to the following year and to make adequate appropriations to reserves to mitigate future spending priorities.*

**20. Selby District Council Annual Report**

Councillor Crane presented the report which set out the proposed approach for the 2014/15 Selby District Council annual report. Councillor Crane explained that it was important to get the document circulated as widely as possible.

The Lead Officer, Communications outlined the following amendments which had been requested to be made to the annual report:

- Page 32 – request to include an additional reference to agreeing a way forward on the new Selby Leisure Village during the year.
- Page 33 – to update the attendance figures for the Tour de Yorkshire stating that there were 10,000 visitors to the town centre.

Executive  
2 July 2015

- Page 34 – minor amendments to be made to the information regarding the Core Strategy to better reflect the work undertaken during the review period.
- Page 41 – amend the wording in the context box for the % of capital programme delivered item.

**RESOLVED:**

**To approve the text of the annual report for publication with the above amendments.**

***Reason for the decision***

To enable the Council to publish its annual report

**21. Partnership Agreement between Selby District Council and Access Selby 2015-2020**

Councillor Crane presented the report which outlined a new Partnership Agreement between Selby District Council and Access Selby.

Discussion took place on how the current review of the organisation which was currently taking place would affect the agreement. The Chief Executive outlined that it was important to have something in place in order for business to continue as usual while awaiting the outcome of the review.

The Executive also acknowledged that the agreement had not been considered by the Access Selby Board and agreed that it was important they were allowed to provide their comments on the document.

**RESOLVED:**

- i) To endorse the new Partnership Agreement 2015-2020**
- ii) To authorise the Chief Executive to complete the final version of the agreement following consideration of the document by the Access Selby Board.**
- iii) To agree that the agreement could be amended to reflect any changes necessary following the organisational review.**

Executive  
2 July 2015

***Reasons for the decision***

*To enable a new Partnership Agreement to replace the previous SLA.*

**22. Better Together Project – IT Support**

Councillor Crane presented the report which outlined proposals for North Yorkshire County Council to provide IT support to Selby District Council.

**RESOLVED:**

- i) To note and accept the proposals in the outline business case**
- ii) To delegate to the Deputy Chief Executive, to negotiate with NYCC, initially for five years, a service specification based on the business case suitable for incorporation into the broader collaboration agreement.**
- iii) To give formal notification to Craven District Council that the Council wishes to end its agreement for IT Support.**

***Reason for the decision***

*To enable NYCC to deliver the Council's IT support and give the requisite notice to Craven District Council.*

**23. Charging for Repairs and Maintenance Service**

Councillor Lunn presented the report which asked the Executive to approve the hourly rate charges for the repairs and maintenance service and to approve the launch of the new commercial repairs and maintenance service.

It was explained that the new charges were calculated to full cost recovery and would be a step towards commercialisation for individuals who had brought their council house or wished for further work to be completed to their property.

Councillors were also asked to endorse a pilot service to provide a new level of Lifeline service to friends and family.

**RESOLVED:**

- i) To approve the hourly rate charges for the repairs and maintenance service.**

Executive  
2 July 2015



ii) **To approve the launch of the new commercial repairs and maintenance service.**

iii) **To approve a pilot Lifeline service to friends and family.**

#### **24. Byram Park Roads Flats Demolition – Key Decision**

Councillor Peart presented the report which outlined the process needed to demolish the Byram Park Road flats and highlighted the implications of the demolition.

It was agreed that the proposed demolition would help improve the area and the proposal had the full support of both local Parish Councils and local residents.

It was acknowledged that the next step would be to undertake a consultation on the proposal and if this was successful then a demolition order could then be issued.

#### **RESOLVED:**

- i) **To approve the proposals for consultation and compensation**
- ii) **To recommend to Council that a budget of £141,600 for demolition and relocation be allocated from HRA Balances.**
- iii) **To delegate the final decision to approve demolition to the Executive Director (s151) in consultation with Cllr David Peart lead councillor for Housing, Leisure, Health and Culture and the Solicitor to the Council.**

#### ***Reasons for the decision***

*The Executive are asked to agree the recommendations to enable the process of clearing the site to start. The financial costs cover demolition and the associated costs of relocating the existing tenants.*

The Chair decided to amend the running order of the agenda.

#### **25. Leisure Contract Annual Review April 2014 to March 2014**

Councillor Peart presented the report which outlined the fifth annual review of the Leisure Centre with Wigan Leisure and Culture Trust (WLCT) covering the period April 2014 to March 2015.

Executive  
2 July 2015

The Executive requested that there should be a six monthly update report providing a regular update on the contract was progressing.

The Executive were informed that the Leisure Centre would be featuring in an upcoming Sport England video to highlight the success of the project.

**RESOLVED:**

- i) **To note the key findings of the report and in particular the performance of Wigan Leisure and Culture Trust to date**
- ii) **To agree the key priorities 2015 / 2016 highlighted in the annual review.**

***Reasons for the decision***

*To recognise the work WLCT has made to maintain leisure services in the district and the progress made to develop the service offer in the community whilst also mobilising the management arrangements for service delivery from the new leisure centre in Selby.*

**26. Riccall Garages**

Following his earlier declaration, Councillor Mackman made a statement concerning the report and outlined his support for parking provision to be introduced. He outlined that concerns had been expressed about parking and the majority of garage owners tended to park their cars in their garages. Following his statement, Councillor Mackman left the room and did not take part in the discussion on this item.

Councillor Peart presented the report which asked the Executive to approve the officer recommendation that no parking provision be made beyond that contained within the proposed housing development at the garage site on Landings Lane, Riccall.

The Executive stated that there should be continued dialogue with local residents and the Selby and District Housing Trust concerning this issue.

**RESOLVED:**

**To agree that no parking provision be made beyond that contained within the proposed housing development.**

Executive  
2 July 2015

***Reason for the decision***

*Observation of parking in the surrounding area suggests that additional parking is not required.*

The meeting closed at 5.29pm

# Selby District Council

## REPORT

Reference: E/15/9

Item 4 - Public



**To:** The Executive  
**Date:** 3 September 2015  
**Status:** Key Decision  
**Report Published:** 25 August 2015  
**Author:** Jodie Taylor – Lead Officer Finance  
**Executive Member:** Councillor C Lunn – Lead Member for Finance & Resources  
**Lead Officer:** Karen Iveson – Executive Director (s151)

**Title:** Financial Results and Budget Exceptions Report to 30 June 2015

### Summary:

At the end of quarter 1, the full year forecast for the General Fund shows an estimated surplus of £133k (£31k Core, £2k Communities & £100k Access Selby) against a budgeted deficit of £125k. The HRA shows a surplus of £295k (£146k Core & £149k Access Selby) against a budgeted surplus of £94k. There is currently a shortfall of £92k on the Access Selby General Fund savings plan and a shortfall of £59k against the Core General Fund, the HRA savings target is on track to be exceeded. Capital Programme is progressing well with minimal slippage expected for the year however a number of projects may cross over into 2016/17 for the General Fund.

### Recommendations:

- i. The Board endorse the actions of officers and note the contents of the report.

### 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 if necessary.

## 1. Introduction and background

- 1.1 At the end of quarter 1, the full year forecast for the General Fund shows an estimated surplus of £89k (-£13k Core, £2k TSO & £100k Access Selby) against a budgeted deficit of £125k. The HRA shows a surplus of £295k (£146k Core & £149k Access Selby) against a budgeted surplus of £94k.

## 2. The Report

### Financial Results

- 2.1 **Appendix A** presents the major forecasted variances identified to date for the first quarter of 2015/16 against approved budgets.

#### General Fund – Revenue

- 2.2 The full year forecast for the General Fund currently shows an estimated surplus of £133k (£31k Core, £2k Communities & £100k Access Selby).

General Fund	Budget £000's	Forecast Full Year Variance £000's
Core	4,932	31
Access Selby	5,682	100
Communities Selby	193	2
	10,807	133

- 2.3 The Core's General Fund variance relates to drainage board levy savings of £20k as a result of levies being set below SDC's estimate and £44k from the Finance Better Together project. Access Selby's General Fund variance includes:
- Increased Planning Income of £211k - This is the forecasted year end position based on high levels of applications received to date which are expected to level out for the rest of the year. Income level forecasts are under continual review and proposals to deal with resulting performance issues are being developed;
  - an increase in Land Charge Searches of £28k;
  - The lifeline service is currently forecasting a net shortfall in income of £65k - as a result of a reduction in the support grant and a subsequent reducing client base. This is partially mitigated by an increase in private payers and Telecare income and a new Friends & Family tariff is being piloted to attract new business.

## Housing Revenue Account

- 2.4 The HRA full year forecasted surplus is £295k (£146k Core & £149k Access Selby).

HRA	Budget £000's	Forecast Full Year Variance £000's
Core	4,269	(146)
Access Selby	6,952	(149)
Communities Selby	0	0
	11,221	(295)

- 2.5 The Core's HRA variance includes underspend of £112k on interest payments as a result of not taking out planned borrowing for housing development, and additional Housing Rents of £35k, although this is influenced by sales and voids. Access Selby's HRA variance includes Right to Buy Admin fees of £26k based on sales in 2014/15 (4 sold to date in 2015/16); and Garage Rents of £27k - the budget was reduced for 2015/16 to reflect sites identified for development but until work commences occupancy remains at previous levels.

### **Capital**

- 2.6 To the end of June there was little capital spend in the General Fund, although over 80% of the budget relates to Burn air field (which was purchased in July) and the new Leisure village (which development has commenced). With the exception of the Portholme culvert and some of the ICT projects (e.g the housing system which will be started in year and completed in 2016/17), the remaining projects are expected to be completed in year.. Further updates on the culvert will follow after the inspection and report from the civil engineer.
- 2.7 Good progress is being made on the HRA capital programme - designs are being drawn up for the refurbishment work at Laurie Backhouse Court and the preferred contractor will also complete fire alarm works at St Wilfrids Court. The roofing programme is experiencing slippage as surveys are required to properties at Hillside Tadcaster to assess the full impact of the work required. The details of all budget exceptions can be found in **Appendix B**.

### **Savings**

- 2.8 **Appendix C** presents an update on progress against the Council's savings action plan for the General Fund and HRA.
- 2.9 There is a £92k shortfall against the Access Selby General Fund savings target, which has not been reflected in the year end forecasted position at this stage as officers are working on plans to fill this gap. The Core General Fund savings target is currently exceeded by £16k, however this includes £75k in 15/16 for Green Energy for which options are still being discussed and

therefore this saving will not be achieved before the end of 2015/16. There is also a shortfall of £59k against the Core savings plan, which has also at this stage not been reflected in the year end position as officers are looking for savings to fill this gap. Plans are currently on track to exceed the HRA savings target by between £79k to £84k.

### **Programme for Growth**

- 2.10 The Council has set aside funds to deliver specific projects in relation to key priorities for the authority. Details of the Programme for growth can be found in **Appendix D**.

## **3. Legal/Financial Controls and other Policy matters**

### **Legal Issues**

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

### **Financial Issues**

- 3.2 The shortfall against savings targets has the potential to reduce the forecasted year end surpluses if plans to fill the gap are not achievable in year. Officers will continue to monitor this and ensure forecasts are updated accordingly.

## **4. Conclusion**

- 4.1 Overall the financial results show good performance to date and a positive forecasted year end position despite the shortfall against Access Selby & Core General Fund savings target. Capital programme is progressing well with minimal slippage expected at this stage.

### **Contact Officer:**

Jodie Taylor  
Lead Officer - Finance  
Selby District Council  
jtaylor@Selby.gov.uk

### **Appendices:**

Appendix A – General Fund and Housing Revenue Account Revenue budget exceptions  
Appendix B – General Fund and Housing Revenue Account Capital Programme  
Appendix C – General Fund and Housing Revenue Account Savings  
Appendix D – Programme for Growth

## BUDGET EXCEPTIONS REPORT

April 2015 - June 2015

## Core

## General Fund Expenditure

Budget Description	Annual Budget £000's	Year -End Variance £000's	One-Off/ On-going	Comments
Employees	1,310	44	On-going	Saving resulting from Finance better together project.
Drainage Board Levy	1,599	(19)	On-going	Lower than anticipated increase in IDB charges.
<b>Total Variance - General Fund Expenditure</b>		<b>25</b>		
<b>Total Variance - Operating (Surplus)/deficit</b>		<b>25</b>		

## Access Selby

## General Fund Income

Budget Description	Annual Budget £000's	Year -End Variance £000's	One-Off/ On-going	Comments
Government Grants	(18,013)	145	On-going	The lifeline service is currently forecasting a net shortfall as a result of a reduction in the support grant and a subsequent reducing client base.
Customer & Client Receipts	(3,543)	(318)	On-going	The shortfall in lifeline grant is partially mitigated by an increase in private payers £67k and Telecare income £13k and a new Friends & Family tariff is being piloted to attract new business. Planning fee income is expected to exceed budget by £211k, there has been a spike in income compared to trends and is not anticipated to continue at the same level for the rest of the year. Land Charge search fees are exceeding expectations by £28k
<b>Total Variance - General Fund Income</b>		<b>(173)</b>		

## Access Selby

## General Fund Expenditure

Budget Description	Annual Budget £000's	Year -End Variance £000's	One-Off/ On-going	Comments
Premises	648	(14)	On-going	Business rates for car parks are less than budgeted due to current ratable values and the transfer of St Josephs Street in Tadcaster to the Housing Trust.
<b>Total Variance - General Fund Expenditure</b>		<b>(14)</b>		
<b>Total Variance - Operating (Surplus)/deficit</b>		<b>(187)</b>		



## Core

## Housing Revenue Account Income

Budget Description	Annual Budget £000's	Year -End Variance £000's	One-Off/ On-going	Comments
Housing Rents	(12,489)	(35)	On-going	It is currently anticipated that rent income will exceed budget but is influenced by sales during the year and the number of voids.
<b>Total Variance - Core HRA Income</b>		<b>(35)</b>		

## Core

## Housing Revenue Account Expenditure

Budget Description	Annual Budget £000's	Year -End Variance £000's	One-Off/ On-going	Comments
External Interest Payable	2,638	(113)	On-going	This saving was due to no additional borrowing being taken out for new developments within the HRA.
<b>Total Variance - Core HRA Expenditure</b>		<b>(113)</b>		

**Total Variance - Core HRA****(148)**

## Access Selby

## Housing Revenue Account Income

Budget Description	Annual Budget £000's	Year -End Variance £000's	One-Off/ On-going	Comments
Customer & Client Receipts	(127)	(27)	On-going	Estimated Right to Buy administration fees based on a forecast of 20 sales in the year.
Garage Rents	(93)	(27)	On-going	The budget was reduced for 2015/16 to reflect sites identified for development but until work commences occupancy remains at previous levels.
<b>Total Variance - HRA Income</b>		<b>(54)</b>		

**Total Variance - Access Selby HRA****(54)**

## 2015/16 Selby District Council Capital Programme - To 30 June 2015

General Fund	Annual Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Forecast Variance	Comments
Industrial Units - Road Adoption	23,785	0	0	0	23,785	0	Quotes are being received for road and streetlight repairs, when this work has been completed highways will make a decision to adopt.
Tadcaster Central Area Redevelopment	2,000	0	0	0	2,000	0	Some outstanding planting works required
Mast Relocation Project	139,060	0	0	0	139,060	0	No immediate plans to relocate mast unless a proposal is submitted by the owners of the old Civic Centre.
Portholme Road Culvert	150,000	0	0	0	150,000	0	A Civil Engineer is to inspect the site and report recommendations to progress the scheme.
Tadcaster Bus Station	25,000	0	0	0	25,000	0	Work complete, awaiting invoices.
Transactional Website	38,590	0	0	0	38,590	0	Phase 1 of the project is complete. This budget is to be combined with the CRM for phase 2.
Northgate Revs & Bens	15,000	0	0	0	15,000	0	Budget for upgrades from Legislation changes etc. Nothing committed yet but upgrades are expected Oct/Nov 2015
ICT Infrastructure Replacement	40,000	0	0	0	40,000	0	Required for hardware implementation, on hold pending NYCC options. Likely to be Q4 of 15/16.
DIP Upgrade	19,510	9,755	10,800	1,045	19,510	0	Committed £17,000 in respect of integration to Public Access v2.0 / Public Access Licencing / Maploader software
IDOX Upgrade	7,000	0		0	7,000	0	Nothing yet committed.
Environmental Health System	33,000	11,000	12,500	1,500	33,000	0	£8,000 committed for further consultancy on the project. The project has slipped due to data cleansing and will now be completed in December 2015
Councillor I-Pads	18,340	0	0	0	18,340	0	Currently under trial. Business case will be brought forward in 2015/16.
CRM	55,380	0	0	0	55,380	0	The first phase of the website project is now complete and the remaining budget support the CRM project. The new CRM went live in July, this is delivering part of phase 1 with the rest of the phase due to be delivered by the end of September/Start of October. Phase 2 will see the CRM and website projects coming together as one project. Phase 2 is currently being scoped but as agreed by the Better Together steering group the second phase will work on a business case basis.
Mobile Working Solution	249,800	0	0	0	249,800	0	The project has been delayed due to the implementation of other systems such as the migration of the environmental health system to IDOX, CRM and housing which will link in to mobile working. The business case is currently being reviewed because of the delays.
Genero Housing System	125,610	0	0	0	125,610	0	30% of the capital will be committed to Capita following signing of the contract. The contract is due to be signed in August 15. The work will commence in 2015/16 but will not be completed until 2016/17.
ICT - Desktop Replacement Programme	17,500	0	0	0	17,500	0	Continued cycle of replacement of IT equipment. Won't be much activity until IT function transfers to NYCC from Craven DC.
Asset Management Plan - Leisure & Parks	3,350	0	-17,298	-17,298	3,350	0	2015/16 phase for Tadcaster Leisure Centre fencing and Selby Park pavilion timber cladding to commence from September, final invoices due for Tadcaster Leisure Centre roofing works.
Burn Airfield	1,700,000	0	170,000	170,000	1,700,000	0	Deposit paid for the purchase in June 15, Completion July 15.
Private Sector - Home Improvement Loans	37,200	0	-3,485	-3,485	37,200	0	Repayment of a previous grant received.
Disabled Facilities Grants	447,230	0	12,129	12,129	447,230	0	To date 2 grants have been paid totalling £12k, further grants have been approved and committed (£180k) for payment during the year. Changes within the Home Improvement Agency has caused delays in awarding grants.
New Build Projects	1,550,000	0	0	0	0	0	Outline Business cases for HRA projects going to October Exec.
	<b>4,697,355</b>	<b>20,755</b>	<b>184,646</b>	<b>163,891</b>	<b>3,147,355</b>	<b>0</b>	

## 2015/16 Selby District Council Capital Programme - To 30 June 2015

Housing Revenue Account	Annual Budget	Year to date Budget	Year to date Actual	Year to date Variance	Forecast	Forecast Variance	
Kitchen Replacements	421,900	210,000	190,821	-19,179	421,900	0	Preliminary site set-ups and electrical works have been completed and the programme is now progressing well with a view to this main phase completing August.
Pointing Works	300,000	0	60	60	300,000	0	A contract to commence the work is anticipated by September, but may be impacted upon by the outcome of the Tadcaster Roofing survey.
Electrical Rewires	260,000	65,000	48,289	-16,711	260,000	0	Work continues on full and partial rewires, some work is linked with the kitchen replacement programme.
Bathroom Replacements	180,000	0	744	744	180,000	0	Work is anticipated to commence September 15.
Airey Property Works	0	0	-9,788	-9,788	0	0	Project complete but are still awaiting invoices from contractor.
Asbestos Surveys	30,000	0	0	0	30,000	0	Work is required to meet current legislation standards, and is anticipated to commence September 15.
Central Heating System Replacements	890,480	74,207	69,883	-4,324	890,480	0	Continued rolling programme of heating replacements. There is approximately 30 in the current scheme, meetings are to take place to progress the next phase.
Roof Replacements	555,600	0	60	60	555,600	0	Scheme in Tadcaster currently on hold, with a view to commence during 2015/16 pending more detailed survey work, an update was provided to Executive in June.
Damp Works	250,000	62,500	40,075	-22,425	250,000	0	Work continues to cover more responsive work including some prevention measures (improving ventilation).
External Cyclical Repairs (Painting & Windows)	113,000	28,250	44,703	16,453	113,000	0	Scheme underway and contractor is making good progress with a view to completing by October 15.
External Door Replacements	134,000	3,000	3,313	313	134,000	0	Work is progressing in conjunction with the external cyclical repairs.
Void Property Repairs	53,500	4,458	-2,494	-6,952	53,500	0	This work is responsive to the level of void properties and is dependent on each individual scenario as to the level of work required. The level of void work is being managed both through capital and revenue budget.
Fencing Programme	40,000	3,333	2,255	-1,078	40,000	0	Budget has been fully committed for the year.
St Wilfrids Court - Fire Alarm	25,000	0	0	0	25,000	0	In conjunction with the Laurie Backhouse Court works.
Laurie Backhouse Court - Refurbishment	200,000	0	0	0	200,000	0	Designs are being drawn up and then procurement can commence.
Environmental Improvement Plan	160,000	13,333	7,760	-5,573	160,000	0	
	<b>3,613,480</b>	<b>464,082</b>	<b>395,680</b>	<b>-68,402</b>	<b>3,613,480</b>	<b>0</b>	
<b>Total Capital Programme</b>	<b>8,310,835</b>	<b>484,837</b>	<b>580,326</b>	<b>95,489</b>	<b>6,760,835</b>	<b>0</b>	

### Access Selby - General Fund Savings

Proposed Savings	Sponsor	Status	2015/16	2016/17	2017/18	Update
			£	£	£	
<b>IT &amp; Transformation Workstream</b>						
CRM Replacement	J Lund	Red	8,980	66,252	66,252	Phase 1 saw CRM go live in July 2015. Phase 2 is currently being scoped.
Mobile Working	J Lund	Red	-	41,728	41,728	Project currently under review by Access Selby Directors. Any changes will be reflected in the savings plan once the review is complete.
Review of planning advice and consultants	E Scothern	Amber	3,750	3,750	3,750	Savings achieved on experts but due to increased number of applications the overall spending might not be reduced.
Joint Business Support Manager Post	J Barlow	Green	3,632	-	-	Saving to be reviewed in conjunction with options for long term arrangements
Court Cost / Summons	J Barlow	Green	30,000	30,000	30,000	On track to achieve savings
Formal amalgamation of District newspaper and County Council publications	J Barlow	Red	3,000	3,000	3,000	Awaiting long term decision from NYCC
Opening of Civic Centre	J Barlow	Green	6,083	6,083	6,083	Completed
Better Together	J Lund	Amber	75,000	150,000	150,000	Various projects including Finance, Business Support, Assets & Customer Services. First meeting held on 6th July to exchange information on land holdings.
Electronic Payments	J Lund	Amber	0	25,000	25,000	Project linked to CRM and will follow in the later phases.
Improved Revs & Bens Value for Money	J Lund	Amber	25,000	50,000	50,000	Competitive Dialogue process to commence in July 2015. - £25k saving will be achieved in 2015/16 due to frozen post.
Further Internal Efficiencies	Various	Red	25,000	50,000	50,000	Officers exploring internal efficiencies through improved processes and IT.
Access Selby Commercialisation	Mark Steward	Amber	5,000	50,000	50,000	Officers working on commercialisation of repairs & maintenance.
<b>Total Transformation</b>			<b>185,445</b>	<b>475,813</b>	<b>475,813</b>	
<b>Commissioning Workstream</b>						
Printers		Green	18,811	18,811	18,811	Completed
Lifeline pendants	S Parkinson	Green	-	67,576	69,000	Projected savings on track to be delivered
Postage and Mail	G Bruce	Amber	5,000	5,000	5,000	Further work required before savings can be confirmed
Stationery	K Cadman	Green	500	500	500	Completed
Supplier Engagement	K Cadman	Red	20,000	20,000	20,000	Options are limited in this area, officers will be seeking alternative savings.
Reduce Tail end spend	ICT Shared	Amber	14,500	14,500	14,500	On Target
IT Service Contracts	Service Manager	Amber	7,500	7,500	7,500	Options currently under review.
External Audit - Grants Audit Fee	G Shelley	Amber	7,500	7,500	7,500	Options currently under review.
Home Improvement Agency contract	K Iveson	Green	8,130	8,130	8,130	Completed
Lexis Nexis Legal Library	S Parkinson	Green	5,000	5,000	5,000	Completed
Community Support Vehicle lease	J Barlow	Green	13,500	13,500	13,500	Completed
Improved Waste / Recycling Value for Money	S Parkinson	Green	3,940	3,940	3,940	Completed
Maximise use of Civic Centre Office Space	K Iveson	Amber	-	100,000	100,000	
	J Lund	Amber	22,500	45,000	45,000	Based on an additional 30 desks occupied by partners.
<b>Total Commissioning</b>			<b>119,381</b>	<b>309,457</b>	<b>310,881</b>	
<b>Income Generation Workstream</b>						
Negotiation for share of out performance on Council Tax collection	G Marshall	Amber	3,961	3,961	3,961	Target under constant review and outcome is based on full year performance.
Bulky Waste	E Scothern	Green	1,500	1,500	2,000	On track to achieve savings

Proposed Savings	Sponsor	Status	2015/16 £	2016/17 £	2017/18 £	Update
Commercial Waste	E Scothern	Green	20,000	20,000	20,000	Includes £20k saving and inflation amount.
Export health certificates	S Parkinson	Green	2,000	2,000	2,000	On track to achieve savings
Car Park Income	E Scothern	Amber	20,000	20,500	20,500	On target against budget.
Land Charges Income - Search fees	G Marshall	Amber	48,000	21,000	21,000	On track to achieve £48k in current year.
Legal Income	J Barlow	Green	32,750	8,750	8,750	On track to achieve savings from increase in fee-generating work.
Street Naming & Numbering	G Shelley	Green	30,000	18,000	18,000	On track to achieve savings
Air Quality sampling	S Parkinson	Green	1,217	1,217	1,217	On track to achieve savings
Registrar Service	D Richardson	Green	10,994	10,994	10,994	Completed
Caravan inspection fee	S Parkinson	Green	2,000	2,000	2,000	On track to achieve savings
Policy changes to introduce new income streams	E Scothern	Red	26,783	78,783	80,823	Service areas are reviewing areas where this may be appropriate.
Community Support Lifeline Income	S Parkinson	Amber	20,000	20,000	20,000	Income growth has been achieved, however due to grant funding being reduced the additional income is only mitigating the loss.
<b>Total Income Generation</b>			<b>219,205</b>	<b>208,705</b>	<b>211,245</b>	
<b>Other</b>						
Agency Staff	J Barlow	Red	-	2,500	2,500	Savings opportunity identified for future years
NY regional strategy officer	S Parkinson	Green	2,520	2,520	2,520	Completed
Community Support Office telephone savings	S Parkinson	Green	9,600	9,600	9,600	Completed
Contracts General Office Expenses	E Scothern	Green	360	360	360	Completed
Contracts - Officer subsistence general saving	E Scothern	Green	200	200	200	Completed
Commercial Waste	E Scothern	Green	1,160	1,160	1,160	Completed
Environmental Health & Housing telephone savings	E Scothern	Green	430	430	430	Completed
<b>Total Other</b>			<b>14,270</b>	<b>16,770</b>	<b>16,770</b>	
<b>Total General Fund Savings in Progress</b>			<b>538,301</b>	<b>1,010,745</b>	<b>1,014,709</b>	
<b>Completed (GREEN) General Fund Savings</b>			<b>3,140,155</b>	<b>3,198,000</b>	<b>3,238,699</b>	
<b>Total General Fund Savings</b>			<b>3,678,455</b>	<b>4,208,745</b>	<b>4,253,407</b>	
<b>Savings Target</b>			<b>3,770,291</b>	<b>4,025,938</b>	<b>4,270,705</b>	
<b>Headroom/Deficit (+/-)</b>		** -	<b>91,836</b>	<b>182,807</b>	<b>17,298</b>	
<b>Green Savings</b>			3,344,481	3,430,271	3,472,893	
<b>Amber Savings</b>			250,211	516,211	516,211	
<b>Red Savings**</b>			83,763	262,263	264,303	
<b>Total</b>			<b>3,678,455</b>	<b>4,208,745</b>	<b>4,253,407</b>	

## Key:

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

**Core Savings Plan**

Proposed Savings	Status	2015/16 £	2016/17 £	2017/18 £	Progress
<b>Procurement Workstream</b>					
Election Software	Green	5,087	5,189	5,293	Completed
Audit Partnership	Green	16,236	16,561	16,892	Completed
Leisure Management Contract	Green	75,000	150,000	150,000	-
Community / Pooled Budgets	Red	5,000	10,000	10,000	-
Improved waste / recycling value for money	Amber	50,000	100,000	100,000	-
Banking tender	Green	10,000	10,000	8,400	Go live happened successfully in August, on target
<b>Total Procurement</b>		<b>161,323</b>	<b>291,750</b>	<b>290,585</b>	
<b>Transformation Workstream</b>					
WWT - Transformation (Core)	Green	54,122	55,204	56,308	Completed
Joint CE with NYCC appointed and 1 further FTE reduction	Green	82,820	83,648	84,484	Completed
Better Together - Finance	Green	44,000	44,000	44,000	Savings will be achieved in 2015/16 - Future years will be dependant on the success of the trial period.
<b>Total Transformation</b>		<b>180,942</b>	<b>182,852</b>	<b>184,792</b>	
<b>Value for Money Workstream</b>					
Internal Drainage Boards	Green	154,936	158,035	161,196	Completed
Internal Drainage Boards	Green	20,000	-	-	levies lower than budgeted for 2015/16
Community Safety	Green	16,561	16,892	17,230	Completed
Ward Boundary Review	Amber	41,430	41,430	41,430	Based on current scheme, to be implemented following the general election in 2015
<b>Total Value for Money</b>		<b>232,927</b>	<b>216,357</b>	<b>219,856</b>	
<b>Base Budget Review Workstream</b>					
External Audit Fee	Green	53,370	53,370	53,370	Completed
Early Retirements - Strain on Pension Fund	Green	100,482	102,491	104,541	Completed
Corporate and Democratic Core	Green	7,283	7,428	7,577	Completed
Pay award from 2.5% est to 1% revised	Green	48,118	48,118	48,118	Completed
Internal Audit	Green	14,066	14,348	14,635	Completed
Car Allowances	Green	2,850	2,850	2,850	Completed
Civic Centre NNDR	Green	65,996	65,996	65,996	Completed
NNDR Base Budget Review - Various small sites	Green	14,390	14,390	14,390	-
<b>Total Base Budget Review</b>		<b>306,555</b>	<b>308,991</b>	<b>311,477</b>	
<b>Discretionary Service Review Workstream</b>					
External Grants	Green	12,000	12,000	12,000	Completed
<b>Total Discretionary Service Review</b>		<b>12,000</b>	<b>12,000</b>	<b>12,000</b>	
<b>Income Generation Workstream</b>					
Use of assets for advertising space	Amber	25,000	25,000	25,000	Negotiations ongoing with NYCC about income split in 15/16
Single Payment Discount Review	Green	-	-	-	Completed
Empty/Second homes council tax charges review	Amber	-	-	-	-
General Fund Housing Development	Amber	25,000	50,000	50,000	-
Green Energy	Red	-	150,000	150,000	feasibility work completed and detailed business cases to be prepared, subject to Executive decision on 3 September 2015. Saving will not be achieved in 15/16.
<b>Total Income Generation</b>		<b>50,000</b>	<b>225,000</b>	<b>225,000</b>	
<b>Total General Fund Savings</b>		<b>943,747</b>	<b>1,236,950</b>	<b>1,243,710</b>	
<b>Savings Target</b>		<b>1,002,995</b>	<b>814,645</b>	<b>1,156,227</b>	
<b>Headroom/Deficit (+/-)</b>	**	<b>- 59,248</b>	<b>422,305</b>	<b>87,483</b>	
<b>Green Savings</b>		797,317	860,520	867,280	
<b>Amber Savings</b>		141,430	216,430	216,430	
<b>Red Savings**</b>		5,000	160,000	160,000	
<b>Total</b>		<b>943,747</b>	<b>1,236,950</b>	<b>1,243,710</b>	

Key: **HRA Savings Plan**

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

Proposed Savings	Status	2015/16	2016/17	2017/18	Progress
		£	£	£	
Review of Property Services unfilled posts	Green	50,000	50,000	50,000	Completed
Gas Servicing Contract	Green	20,000	20,000	20,000	Completed
Grassed Areas & Open Spaces base budget review	Green	29,000	29,000	29,000	Completed
Various Suppliers	Green	22,000	22,000	22,000	Completed
WTT - Savings	Green	129,591	129,591	129,591	Completed
2011/12 Pay Award	Green	27,000	27,000	27,000	Completed
Car Allowances	Green	5,600	5,600	5,600	Completed
Savings on Audit Fees and early Retirement Charges	Green	40,460	40,460	40,460	Completed
Ryecare Help-Line Telecom Saving	Green	700	700	700	Completed
Consolidation of IT Budgets	Green	23,685	23,685	23,685	Completed
Electrical Testing - R&M	Green	15,000	15,000	15,000	Completed
Vehicle Tracking System	Green	500	500	500	Completed
Direct Works - Phones	Green	2,000	2,000	2,000	Completed
Grants Audit Fees	Green	6,000	6,000	6,000	Completed
Clear Access Footways	Green	2,500	2,500	2,500	Completed
Footpaths	Green	10,000	10,000	10,000	Completed
Gutters & Fallpipes	Green	5,000	5,000	5,000	Completed
Tenants Participation - Housing Reports	Green	370	370	370	Completed
Energy Performance Certificates	Green	3,000	3,000	3,000	Completed
Review building material suppliers	Red	5,000	-	-	Potential savings of £5-12k were estimated by V4, however these options are still to be explored further.
SDC Contract Hire Vehicles	Green	18,000	18,000	18,000	Completed
Asbestos Removal	Green	500	500	500	Completed
Solid Fuel Servicing	Green	12,470	12,470	12,470	Completed
Communal Lighting	Green	3,350	3,350	3,350	Completed
Pumping Stations	Green	3,210	3,210	3,210	Completed
Lift Maintenance	Green	1,300	1,300	1,300	Completed
Bank charges	Green	1,600	1,600	1,600	Completed
Debt collection costs	Green	1,300	1,300	1,300	Completed
Hostels	Green	5,230	5,230	5,230	Completed
HRA Investment Interest	Green	-	9,000	9,000	Completed
<b>Total Housing Revenue Account Savings</b>		<b>444,366</b>	<b>448,366</b>	<b>448,366</b>	
<b>Savings Target</b>		<b>360,000</b>	<b>360,000</b>	<b>360,000</b>	
<b>Headroom/Deficit (+/-)</b>	**	<b>84,366</b>	<b>88,366</b>	<b>88,366</b>	
<b>Green Savings</b>		<b>439,366</b>	<b>448,366</b>	<b>448,366</b>	
<b>Amber Savings</b>		<b>-</b>	<b>-</b>	<b>-</b>	
<b>Red Savings**</b>		<b>5,000</b>	<b>-</b>	<b>-</b>	
<b>Total</b>		<b>444,366</b>	<b>448,366</b>	<b>448,366</b>	

## Programme for Growth 15/16 to 19/20

Projects	Capital £	Revenue £	Estimate 15/16 £	Estimate 16/17 £	Estimate 17/18 £	Estimate 18/19 £	Estimate 19/20 £
Healthy living - concepts fund	-	175,000	35,000	35,000	35,000	35,000	35,000
Leisure Village	6,000,000	-	6,000,000	-	-	-	-
Selby Skate Park	75,000	-	75,000	-	-	-	-
Empty homes	75,000	18,975	30,975	31,500	31,500	-	-
Ready 4 Work	-	16,556	16,556	-	-	-	-
Growing enterprise	-	175,000	69,000	39,000	35,000	32,000	-
Market Selby's USP	-	62,664	22,664	20,000	20,000	-	-
Community skills/capacity building	-	100,000	100,000	-	-	-	-
Retail experience	-	351,576	351,576	-	-	-	-
Housing Trust	-	133,750	51,250	30,000	30,000	22,500	-
St Josephs St	-	31,000	31,000	-	-	-	-
Green energy	-	30,000	30,000	-	-	-	-
Strategic sites	-	285,000	185,000	50,000	50,000	-	-
Town masterplanning	-	250,000	250,000	-	-	-	-
Green infrastructure	-	20,000	20,000	-	-	-	-
Economic Development Projects arising from ERYC peer review	-	50,000	50,000	-	-	-	-
Improvements to gateways	-	3,639	3,639	-	-	-	-
Construction skills hub	-	20,000	20,000	-	-	-	-
Contingency	-	-	622,674	-	-	-	-
<b>Total</b>	<b>6,150,000</b>	<b>1,723,160</b>	<b>7,964,334</b>	<b>205,500</b>	<b>201,500</b>	<b>89,500</b>	<b>35,000</b>
<b>Total Allocated to Projects</b>		<b>7,873,160</b>					

Funding Sources	£	Estimate 15/16 £	Estimate 16/17 £	Estimate 17/18 £	Estimate 18/19 £	Estimate 19/20 £
Balance Brought Fwd	2,996,764	2,996,764	531,500	1,326,000	1,124,500	1,035,000
Special projects reserve *	1,999,070	999,070	1,000,000	-	-	-
Prudential Borrowing	4,500,000	4,500,000	-	-	-	-
Project Spend	- 8,495,834	- 7,964,334	- 205,500	- 201,500	- 89,500	- 35,000
<b>Balance</b>	<b>1,000,000</b>	<b>531,500</b>	<b>1,326,000</b>	<b>1,124,500</b>	<b>1,035,000</b>	<b>1,000,000</b>

\*£1m resources in 2016/17 relates to capital receipts from land sales



# Selby District Council

## REPORT

Reference: E/15/10

Item 10 - Public



**To:** The Executive  
**Date:** 3 September 2015  
**Status:** Key Decision  
**Report Published:** 25 August 2015  
**Author:** John Raine – Treasury Management Accountant  
**Executive Member:** Councillor C Lunn – Lead Member for Finance & Resources  
**Lead Director:** Karen Iveson – Executive Director (s151)

**Title:** Treasury Management – Monitoring Report to 30 June 2015

### Summary:

This report reviews the Council's borrowing and investment activity (Treasury Management) for the 3 month period 1 April to 30 June 2015 and presents performance against the Prudential Indicators.

Investments – Money market investment rates have remained low throughout 2015, with interest rates continuing at historically low levels and a rise in bank rate not expected until mid-2016 at the earliest. However the Council's cash balances have remained high and as a result, an outturn of £248k is forecasted, which is as per budget.

Borrowing – the Council has long term borrowing of £60.3m at 30 June 2015. Interest payments of £2.5m are forecast for 2015/16.

Prudential Indicators – the Council's affordable limits for borrowing were not breached during this period.

### Recommendations:

- i. **Councillors endorse the actions of officers on the Council's treasury activities for the period ending 30 June 2015 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.

#### **1. Introduction and background**

- 1.1 This is the first monitoring report for treasury management in 2015/16 and covers the period 1 April to 30 June 2015. 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 and Prudential Indicators was approved by Council on 24 February 2015.
- 1.4 The two key budgets related to the Council’s treasury management activities are the amount of interest earned on investments £248k (£200k General Fund, £48k HRA) and the amount of interest paid on borrowing £2,525k (£112k General Fund, £2,413k HRA).

#### **2. The Report**

##### **Interest Rates and Market Conditions**

- 2.1 The Bank of England is continuing to maintain interest rates at 0.5% The Councils Treasury Management advisors are currently forecasting a rise in bank rate by June 2016 based on their interest rate forecast update from May 2015. Bank rate is projected to increase slowly and gradually thereafter, reaching 1.75% by March 2018.
- 2.2 Consumer Price Inflation (CPI) started the financial year in April at -0.1% and rose slightly to 0.0% in June 2015. The Retail Price Index (RPI) also rose slightly to 1.0% in June 2015 from 0.9% in April 2015.
- 2.3 Table 1 shows recent average interest rates available up to a duration of 12 months and reflects the lack of movement in rates since the start of

the year. As bank rate remains low and with no expectation for any increases until June 2016 at the earliest, investment rates may not improve throughout 2015.

Table 1: Average Interest Rates 1 April 2015 to 30 June 2015

	<b>April 2015</b>	<b>May 2015</b>	<b>June 2015</b>
<b>Base Rate (Bank Rate)</b>	0.50	0.50	0.50
<b>Over Night</b>	0.30	0.30	0.30
<b>7 Days</b>	0.40	0.40	0.40
<b>1 month</b>	0.40	0.40	0.45
<b>3 Months</b>	0.50	0.50	0.50
<b>6 Months</b>	0.60	0.65	0.65
<b>1 Year</b>	0.90	0.90	0.90

- 2.4 The Council's Treasury Advisors, Capita provided a forecast for interest rates for both investments and PWLB borrowing as part of the Treasury Management Strategy. This forecast is regularly monitored and updated. Table 2 shows the forecast included in the Treasury Strategy and Table 3 shows the latest forecast.

Table 2: Forecast for Interest Rates Included in Treasury Strategy

	<b>2015</b>				<b>2016</b>			
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>Bank Rate</b>	0.50	0.50	0.50	0.75	0.75	1.00	1.00	1.25
<b>5 Yr PWLB</b>	2.20	2.30	2.30	2.50	2.60	2.80	2.90	3.00
<b>25 Yr PWLB</b>	3.40	3.50	3.70	3.80	4.00	4.20	4.30	4.40
<b>50 yr PWLB</b>	3.40	3.50	3.70	3.80	4.00	4.20	4.30	4.40

- 2.5 As can be seen from Tables 2 and 3 because the bank rate has remained at 0.5% this has had an impact on the forecast for rates both in this financial year and next financial year. However, bank rate is expected to rise slowly and gradually from mid-2016 onwards.
- 2.6 The forecasts are based on moderate economic recovery and Monetary Policy Committee (MPC) views 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. The MPC continue to vote for no change to the levels of quantitative easing in recent meetings and any change in approach is unlikely in the short term.

Table 3: Forecast for Interest Rates June 2015

	2015				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	%	%	%	%	%	%	%	%
<b>Bank Rate</b>	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00
<b>5 Yr PWLB</b>	2.10	2.20	2.30	2.40	2.50	2.60	2.80	2.90
<b>25 Yr PWLB</b>	3.40	3.50	3.6	3.70	3.80	4.00	4.10	4.20
<b>50 yr PWLB</b>	3.40	3.50	3.60	3.70	3.80	4.00	4.10	4.20

### Annual Investment Strategy

2.7 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 DCLG and CIPFA.

2.8 The Council aims to achieve optimum return on investments commensurate with these priorities. In the current economic climate officers are striving to achieve a balance of investments that will give at least an average of the budgeted level of return of 1.00% whilst minimising the on-going risks within the banking sector.

2.9 The Council continues to invest in only highly credit rated institutions using the Capita 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 first six months of the year for fixed term deposits (maximum £20m). Appendix A shows an analysis of Investments at 1 April and 30 June 2015.

2.10 While interest rates have remained low throughout 2015, cash balances have continued at relatively high levels. The current forecast is that the Council will achieve interest income of £248k (£200k allocated to the General Fund; £48k to the Housing Revenue Account).

2.11 The investment of the cash balances of the Council are now managed as part of the investment pool operated by North Yorkshire County Council (NYCC). As at 31 June 2015 £22.7m was held within the NYCC investment pool at an average rate of 0.66%. A further £9.0m remains invested in fixed term deposits, at an average rate of 0.99% and will

transfer to NYCC upon maturity over the next four months.

- 2.12 The average level of funds available for investment during the three months to June was £31.2m. 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 which has increased cash available to invest in the short term. The Council holds approximately £14.0m 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).
- 2.13 The Council has a benchmark of its budget target of 1.00% to reflect performance of investments. However, as interest rates have remained low throughout 2015 and as a result the overall average rate of 0.74% is below benchmark. The forecast is kept under constant review. However, the Council's cash balances remain high which will support the interest earned budget as investment income rates remain low.

### **Borrowing**

- 2.14 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 first three months of the year.
- 2.15 The TMSS indicated that there was a requirement to take long term borrowing during 2015/16 to support the budgeted capital programme. However, the 2015/16 forecast borrowing requirement is entirely dependent on the progress of the Programme for Growth and Abbey Leisure Centre capital projects as well as the level of funding required for the Housing Development. Any borrowing requirement will be confirmed as the project plans are finalised.
- 2.16 The Council approved an Authorised Borrowing Limit of £79.0m (£78m debt and £1m Leases) and an Operational Borrowing Limit of £79.0m (£70m debt and £1m Leases) for 2015/16. The highest total gross amount of debt in the year to 30 June has not been more than £60.3m on any occasion.
- 2.17 The Council overall was in an over borrowed position of £3.0m at 31 March 2015. This means that capital borrowing is currently in excess of the of the Council's underlying need to borrow. This position has resulted from the set-aside of sums to repay debt in the future.

## **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. However, the Executive Director (s151) and Lead Officer - Finance will, 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 impact of the economy, and the turmoil in the financial markets, continues to have an impact on the Council's investment returns and will continue to do so for some while.

## **5. Background Documents**

Accountancy treasury management files

### **Appendices:**

Appendix A – Analysis of Deposits at 1 April and 30 June 2015

Appendix B – Prudential Indicators as at 30 June 2015

APPENDIX A

**Analysis of Deposits At 1 April 2015 and 30 June 2015**

Institution	At 1 April 2015			At 30 June 2015		
	Amount £'000	Maturity	Rate %	Amount £'000	Maturity	Rate %
Lloyds	3,000	16-Oct-15	1.00	3,000	16-Oct-15	1.00
Lloyds	2,000	04-Aug-15	0.95	2,000	04-Aug-15	0.95
Newcastle City Council	1,000	28-Sep-15	1.00	1,000	28-Sep-15	1.00
Newcastle City Council	3,000	07-May-15	1.00			
North Yorkshire County Council	15,315		0.67	22,657		0.66
Total Deposits	24,315		0.77	28,657		0.74

**Prudential Indicators – As at 30 June 2015**

Note	Prudential Indicator	2015/16 Indicator	Quarter 1 Actual
1.	Mid Year Capital Financing Requirement £'000	65,511	65,545
	Gross Borrowing £'000	61,070	61,070
	Investments £'000	17,975	28,657
2.	Net Borrowing £'000	42,358	31,676
3.	Authorised Limit for External Debt £'000	79,000	79,000
4.	Operational Boundary for External Debt £'000	71,000	71,000
5.	Limit of fixed interest rates based on net debt %	100%	100%
5.	Limit of variable interest rates based on net debt %	30%	30%
6.	Principal sums invested for over 364 days		
	1 to 2 Years £'000	20,000	5,0000
	2 to 3 Years £'000	15,000	1,000
	3 to 4 Years £'000	5,000	0
	4 to 5 Years £'000	5,000	0
7.	Maturity Structure of external debt borrowing limits		
	Under 12 Months %	20%	0%
	1 Year to 2 Years %	20%	0%
	2 Years to 5 Years %	50%	1.66%
	5 Years to 10 Years %	50%	10.77%
	10 Years to 15 Years %	50%	0%
	15 Years and above %	90%	87.57%

**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.



## APPENDIX B

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.
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.
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. The debt in the 15 years and over category is spread over a range of maturities from 23 years to 50 years.

# Selby District Council

## REPORT

Reference: E/15/11

Item 6 - Public



**To:** The Executive  
**Date:** 3 September 2015  
**Status:** Key Decision  
**Report Published:** 25 August 2015  
**Author:** Karen Iveson –Executive Director (s151)  
**Executive Member:** Councillor C Lunn – Lead Member for Finance & Resources  
**Lead Officer:** Karen Iveson – Executive Director (s151)

**Title:** Medium Term Financial Strategy

### Summary:

This report presents an update to the revised Medium Term Financial Strategy (MTFS) approved by Council in December 2014. Taking into account anticipated cuts to public sector funding a target net revenue budget of £11.5m is proposed for the forthcoming budget round.

Anticipated cuts to Revenue Support Grant will mean that further savings are required up to 2019/20 in addition to the £1.5m already planned to 2017/18 and it is proposed that the current plan be extended by £700k over 2018/19 and 2019/20.

The future of New Homes Bonus is uncertain although there is the potential for additional Business Rates income to bridge the funding gap. However, it would be prudent to plan for the additional savings at this stage.

### Recommendations:

**It is recommended that subject to comments from the Policy Review Committee the draft update to the Medium Term Financial Strategy be submitted to Council for approval.**

## **Reasons for recommendation**

To set the framework for the 2016/17 budget and 2016 – 2018/19 Medium Term Financial Plan.

### **1. Introduction and background**

- 1.1 The Council's latest Medium Term Financial Strategy was approved by full Council in December 2014 – this report presents an update taking into account changes to the key assumptions within the strategy.

### **2. The Report**

- 2.1 The attached update paper models three scenarios for the Council's General Fund revenue budget over the next 10 years. The mid-range forecast is the scenario that is proposed as the basis for the forthcoming budget round.
- 2.2 The modelled budget assumes continuation of grant for Parish Councils (circa an average of £80k p.a.) to support them with the reductions in Council Tax Base as a result of changes to Council Tax Support.
- 2.3 Assuming a further cut of 25% to 40% on Government funding; Council Tax increases of 2% for the next 3 years and delivery of savings already planned, a budget surplus of £359k is forecast for 2016/17, a surplus of £19k for 2017/18 and a deficit of £315k for 2018/19. Taking into account current £1.5m savings targets to 2017/18, a further savings target of £700k is proposed for 2018/19 to 2019/20.
- 2.4 The mid-case scenario assumes that New Homes Bonus is phased out from 2017/18 to 2022/23. Whilst the future of New Homes Bonus remains in doubt, savings at this level would mean that funds could continue to be diverted to the Programme for Growth but clearly this is highly dependent on achieving the savings targets set.
- 2.5 There also remains the potential for additional Business Rates income, with £750k being released from the Business Rates equalisation Reserve in 2016/17. Further receipts from general growth and renewable energy schemes are anticipated in 2015/16 for release in 2017/18. These receipts could be used to extend the 'Programme for Growth' or reduce our savings requirement. Any such decisions would need to be taken in light of the overall funding risk at that time.
- 2.6 A review of earmarked reserves has also been undertaken and no major changes to reserves are proposed.

### **3. Legal/Financial Controls and other Policy matters**

#### **3.1 Legal Issues**

None as a direct result of this report.

#### **3.2 Financial Issues**

3.2.1 Based on the updated key assumptions within the paper and a mid-range cut to Government grant/business rates, the target net revenue budget for 2016/17 is £11.5m.

3.2.2 Taking into account the forecast gap between income and expenditure plus the savings target already set for Access Selby an overall target of £2.2m is proposed for the coming 4 years.

### **4. Conclusion**

4.1 Forecasted revenue resources for 2016/17 are £11.845m. Based on current spending plans our Net Revenue Budget for 2016/17 is £10.486m (including savings of £418k) giving an estimated surplus for the year of £359k which provides a buffer should there be delays to planned savings or if Government funding cuts are front loaded.

4.2 Currently, New Homes Bonus is crucial to our financial resilience and to our capacity to invest in Selby District. Whilst it continues, £880k p.a. is funding the Programme for Growth with the remainder supporting the Council's revenue budget. The MTFs assumes that New Homes Bonus is phased out from 2017/18 to 2022/23.

4.3 Looking ahead to the potential 40% additional funding cuts expected, the savings on the General Fund are estimated to extend by a further £700k from 2018/19 to 2019/20 (to £2.2m in total from 2015/16 to 2019/20). Where possible Business Rates surpluses can be used to help bridge the funding gap but it would be prudent to plan for the additional savings requirement at this stage.

4.4 Meeting the on-going savings challenge features strongly in the Council's strategic and operational plans and this work will continue. The on-going risk to the Council's funding means that a careful balance between savings and investment, will need to be struck. We will continue to strive for more efficient and effective services which in turn will provide the financial capacity for investment – replacing central Government funding with sustainable cash returns in the form of income from services, Council Tax and Business Rates.

## **5. Background Documents**

Approved MTFS December 2014

### **Appendices**

Appendix A - Medium Term Financial Strategy Update 2015

### **Contact Details**

Karen Iveson

Executive Director (s151)

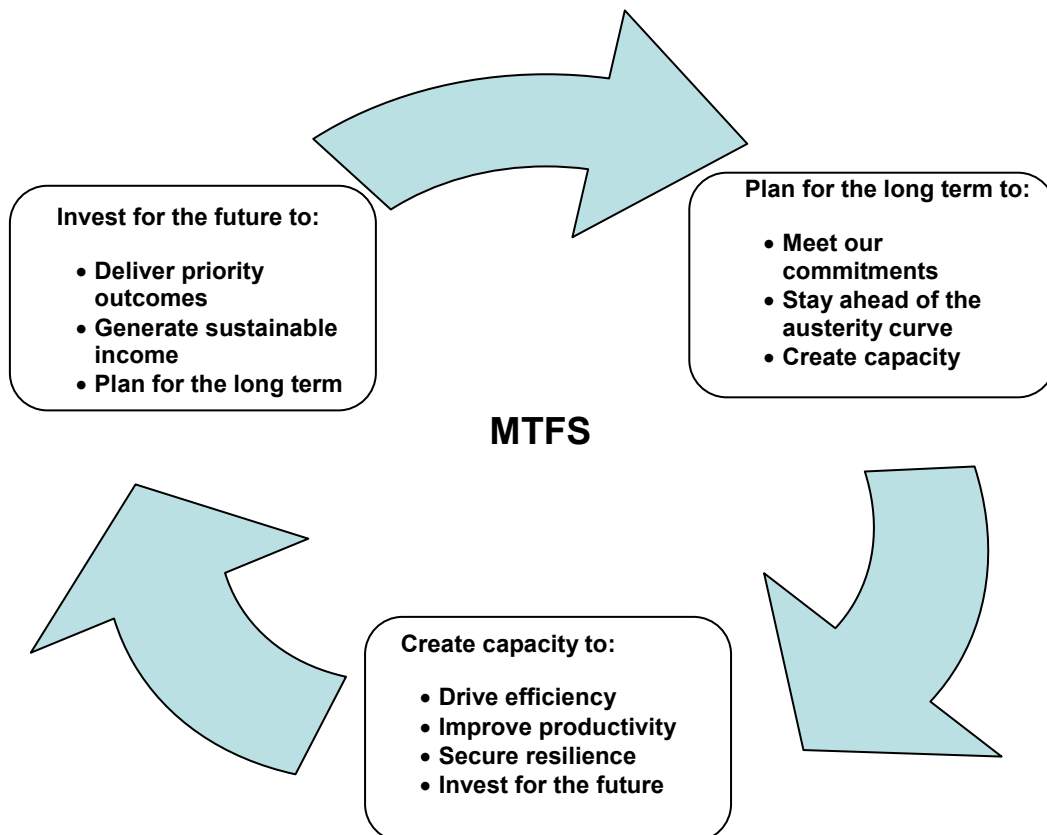
[kiveson@selby.gov.uk](mailto:kiveson@selby.gov.uk)

## Selby District Council

### Medium Term Financial Strategy Update September 2015

#### 1. Introduction and Background

- 1.1 This paper presents an update to the revised Medium Term Financial Strategy approved by Council in December 2014. It considers the budget pressures and issues facing the Council over the next 3 years and beyond, and provides the framework for the forthcoming budget round.
- 1.2 The strategic context for the financial strategy remains unchanged as the pressure on Local Government finance continues and austerity is expected to be with us for some time to come.
- 1.3 During 2014/15 we refreshed the Corporate Plan and with it the Council's priorities for the coming 5 years. The financial strategy aims to provide financial sustainability and resilience for the Council in pursuing its objectives and secure the resources necessary to deliver the Corporate Plan, in spite of the additional funding cuts we are facing.



## Appendix A

- 1.4 To support this paper three scenarios have been modelled and are attached at **Appendix A**. The mid-case scenario is proposed as the framework for the forthcoming budget round although our assumptions may need to change following the Government's autumn Spending Review.
- 1.5 As this strategy is being written, the devolution agenda is progressing at pace. At this stage the financial implications are not clear and therefore have not been taken into account in this refresh. It will be important to understand the on-going implications as part of any future decisions on forming a combined authority with other partners.

## 2 Update on financial assumptions

### Interest Rates

- 2.1 The bank base rate remains at 0.5% with a rise now forecasted in early to mid-2016. The Bank rate is projected to increase slowly and gradually thereafter, reaching 1.00% by March 2017 and 1.75% by March 2018. The approved strategy assumes investment rates will rise to 2% by 2016/17 and therefore returns are likely to be less than estimated in the short term. Loans to Selby and District Housing Trust will provide some mitigation but it would be prudent to reduce our forecasts.
- 2.2 Current returns are below 1% and the MTFs has been updated to reflect the latest forecasts.
- 2.3 The approved strategy includes provision for a £300k cap on the amount of investment interest used to support the revenue budget and as a result of the on-going low rates it is anticipated that this will not be reached in the next 2 years.

### Growth and Inflation

- 2.4 The approved strategy took a cautious stance on growth/inflation projections with 3% included for all years. This is higher than CPI, which is running at below 0.1% as at August 2015, and whilst 3% provides a level of contingency for spending pressures, given the continued cuts to central Government funding the MTFs assumption has been revised down to 2%.

### Settlement Funding

- 2.5 This element of funding has seen the most significant changes in recent years following the localisation of Business Rates and Council Tax Support.

## Appendix A

- 2.6 The 2015/16 Local Government Finance Settlement was for one year only and we await details of proposals for 2016/17. Assuming a 10% reduction in funding overall for 2016/17 (in line with the previously approved MTFs), with an RPI increase in Business Rates Baseline Funding – the table below summarises the estimated settlement for Selby:

Local Government Finance Settlement February 2015	Actual 2015/16 £000's	Estimated 2016/17 £000's
Revenue Support Grant (RSG)	1,756	1,335
Business Rates Baseline Funding (BRBF)	2,232	2,254
<b>Settlement Funding Assessment (SFA)</b>	<b>3,988</b>	<b>3,589</b>

- 2.7 The Chancellor's 'Summer Budget 2015' included little detail about the future reductions to Local Government funding but the Government published its approach to the 2015 Spending review on 21 July 2015. Non-protected departments have been asked to model 25% and 40% real term reductions in their resource budget for the periods 2016/17 to 2019/20. The outcome of the review will be published on 25 November. Based on Selby's 2015/16 settlement, real term reductions of these scales would be around £1m and £1.7m p.a. respectively by 2019/20 – settlement funding resources reducing by a further £700k beyond our previous assumptions.
- 2.8 Excluding Business Rates growth above the Retail Price Index (the index used to inflate the Business Rates Multiplier), the impact of these cuts on the Council's Settlement Funding Assessment (SFA) over the next 5 years, is estimated in the table below. A straight line profile is assumed at this stage in the absence of a definitive picture. This profile shows that RSG is almost entirely depleted by 2019/20.

	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019/20 £000's
RSG	1,756	1,312	908	538	201
BRBF	2,232	2,277	2,322	2,369	2,416
<b>SFA (Mid case)</b>	<b>3,988</b>	<b>3,589</b>	<b>3,230</b>	<b>2,907</b>	<b>2,617</b>
<b>% Reduction</b>		<b>10%</b>	<b>10%</b>	<b>10%</b>	<b>10%</b>

### Business Rates Retention

- 2.9 The current approach to Business Rates Retention income is to set aside gains above our baseline funding (per settlement) into the Business Rates Equalisation reserve to off-set potential future losses. In 2013/14 the initial forecast (NNDR1) showed potential Business Rates growth of circa £1.4m (Selby's share) which would mean additional income to the Council of £700k after the payment of the 50% levy.



## Appendix A

- 2.10 However a significant successful appeal by (and subsequent refund to) a major business in the district meant that our Business Rates income was below the safety net in 2013/14.
- 2.11 In 2014/15 Selby's fortunes reversed following the withdrawal of a significant appeal and some business growth. A surplus of £511k was achieved after a levy payment of £501k. Current forecasts suggest a surplus of £450k for 2015/16 (after the levy payment) and then renewable energy schemes are expected to bring a further £1.01m in 2015/16 (Selby retains 100% of this rates income), which is estimated to rise to £1.44m in 2016/17. Should this income continue then receipts could be as follows:

Business Rates Income	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's
Baseline	2,232	2,277	2,322	2,369
Surplus	450	459	468	478
Renewable energy	1,010	1,440	1,470	1,500
Total	3,692	4,176	4,260	4,347

- 2.12 These forecasts do not include any provision for new significant appeals or closures (e.g. one of the power stations operating in the district) and therefore they should be treated with extreme caution. In such circumstances the 'safety net' would provide mitigation although not for reductions in the renewables related income. Taking a more cautious approach, the mid-case scenario assumes 50% of these receipts are achieved.
- 2.13 It is proposed that the allocation of receipts above the baseline is made as part of the budget process once the actual receipts are known (i.e. the 2014/15 surplus allocated in the 2016/17 budget). The improvement in Business Rates income provides the opportunity to divert additional resources towards spending priorities. Allowing for 3 years' worth of funding down to the 'Safety Net', £750k is available for allocation in 2016/17. It is proposed that the Executive consider the application of these funds as part of their 2016/17 budget, although the mid-case scenario assumes they are allocated to the Programme for Growth. Decisions on future allocations would need to be taken in light of the overall funding available and risk at that time.
- 2.14 The volatility in Selby's Business rates income means that joining one of the pools operating locally (Leeds City Region and North Yorkshire) is unlikely but officers are keeping a watching brief should circumstances change.

## Appendix A

### New Homes Bonus

- 2.15 New Homes Bonus (NHB) is an incentive scheme which rewards housing growth. The scheme is funded partly by the Government (£250m p.a.) and the remainder by top-slicing the local government funding settlement (£918m for 2015/16). We currently anticipate around £2.5m p.a. for Selby from NHB when the scheme reaches maturity in 2016/17 (year 6 of the scheme).
- 2.16 The approved strategy provides that Years 1 and 2 NHB is used to support the 'Programme for Growth' – i.e. £880k p.a. A new Programme has been established as part of the refresh of the Council's Corporate Plan and the current budget assumes that £880k p.a. continues to be transferred to reserves whilst NHB income continues, although funds have not been allocated to projects beyond those approved in 2015/16. The approved MTFS also assumes that receipts above £880k p.a. are used to support the revenue budget, effectively helping to back fill further grant cuts.
- 2.17 The Government's evaluation of NHB up to 2014/15 (published in December 2014) showed that like other district councils, Selby had gained overall by the scheme. The report showed that in net terms Selby had benefitted by £1.53m in 2014/15 i.e. our finance settlement including NHB was £1.53m more than it would have been if NHB had not been paid. Whilst this is positive and has helped to shield Selby from the full force of the Government's austerity measures, should the scheme be brought to an end and the top-sliced funds 'repatriated', then Selby would see a significant reduction in funding. Based on the trend to date, the gain could rise to £2.2m by year 6 of the scheme, with £1.6m being used to support on-going revenue expenditure.
- 2.18 The report concluded that NHB had been successful and this was likely to increase further over time which suggests that the scheme may continue. However there remains concern over the future of the NHB and we await further announcements as part of the forthcoming Autumn Spending Review. The mid-case scenario assumes the scheme is phased out from 2017/18 and therefore our latest assumptions on NHB<sup>1</sup> are:

	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's
Year 1	445	445	445	445	445	445	
Year 2		435	435	435	435	435	435
Year 3			303	303	303	303	303
Year 4				542	542	542	542
Year 5					353	353	353
Year 6						439	439
<b>Total</b>	<b>445</b>	<b>880</b>	<b>1,183</b>	<b>1,725</b>	<b>2,078</b>	<b>2,517</b>	<b>2,072</b>

*Allocated to the Programme for Growth as 'one-off' resources*

<sup>1</sup> Updated following submission of Council Tax Base Return October 2014

## Appendix A

- 2.19 Using the above projections, the NHB resources are assumed to be allocated as follows:

Allocation of NHB	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's
Programme for Growth	445	880	880	880	880	880	880
Rev Budget			303	845	1,198	1,637	808
<b>Total NHB</b>	<b>445</b>	<b>880</b>	<b>1,183</b>	<b>1,725</b>	<b>2,078</b>	<b>2,517</b>	<b>2,072</b>

### Special and Specific Grants

- 2.20 The Council is in receipt of a number of additional grants for 2015/16 which may continue into the future. The Local Government Finance Settlement included:

	2015/16 £000's	2016/17 £000's
Transitional Council Tax Support	11	0
S31 Grant NDR cap	11	0
<b>Total Special and Specific Grants</b>	<b>22</b>	<b>0</b>

- 2.21 These grants are not ring-fenced and have been assumed in the current MTFP for 2015/16 - no awards are included in our budget going forward although awards may be included within future funding settlements.

### Council Tax

- 2.22 The 2015/16 to 2017/18 MTFP includes a Council Tax freeze in 2015/16 and rises of 2% to 2017/18. If this approach continues into 2018/19 and taking into account a 1% rise in the tax base each year, then Council Tax income forecasts show:

	2015/16	2016/17	2017/18	2018/19
Tax Base	29,117	29,408	29,702	29,999
Band D Charge	£162.00	£165.24	£168.54	£171.91
Council Tax Income	£4,716,954	£4,859,378	£5,005,975	£5,157,128

- 2.23 The mid case scenario assumes that Council Tax is increased by 2% p.a. Should further Council Tax freeze grant be offered and accepted then in the longer term additional savings would be required as future Council Tax rises would be restricted.

### Council Tax Support Grant for Parishes

- 2.24 In accordance with the approach adopted in the 2014/15 budget, it is assumed that support for parishes will continue for the foreseeable

## Appendix A

future. The strategy forecasts the grant amount reducing in line with the reduction in the Council settlement funding (RSG/NNDR).

### General Balances

- 2.25 In accordance with the current strategy it is assumed that General Fund balances are **not** used to support the revenue budget.
- 2.26 General Balances remain funding of last resort. The approved minimum working balance is £1.5m and resources will be managed to maintain this level over medium to long term.
- 2.27 Access Selby balances are estimated to be £355k by March 2016. This provides a buffer for risk within their operations which is considered a reasonable level for Access Selby's operational risks.

### Earmarked Reserves

- 2.28 An initial review of major earmarked reserves suggests:
- PFI – the on-going adequacy of this reserve is kept under review in light of interest rates and inflation. Any necessary increases in contributions will form part of the revenue budget and will be funded as a commitment before further service growth is considered.
  - Asset Management - £130k p.a. is transferred into this reserve to cover our commitments to maintaining our built assets. However, following the move to the new Civic Centre and the fire at Abbey Leisure Centre this amount needs to be reviewed. Furthermore major works to car parks and industrial units need to be assessed to establish the appropriate annual contributions. This work is being done as part of the Asset Management Strategy refresh due later in 2015 and the MTFs will be updated once the results are known.
  - ICT Replacement – £150k p.a. General Fund and £50k p.a. HRA contributions are planned to sustain this important reserve, which provides the financial capacity to upgrade and replace our ICT infrastructure, hardware and systems in accordance with our approved ICT Strategy. The use of ICT to support the Council's customer 'self-service' and channel shift agenda means that the financial capacity to invest in modern technologies is crucial to support future services. Fixed contributions allow the smoothing of these irregular costs to avoid peaks and troughs in funding requirements.
  - Business Development – the need for on-going savings and efficiencies to achieve the Council's objectives remains a key priority. This reserve provides up-front investment for improvements and efficiency initiatives, to support the Council's

## Appendix A

savings plan – in particular commercialisation and income generation.

- Pension Equalisation – following the last triennial valuation and with it the stabilisation of employers' contribution rates the £600k balance of this reserve as at 31 March 2014 was released for alternative uses.

However, changes to the National Insurance Contribution rates with effect from April 2017, for employers with their own pension schemes (currently NIC rates are discounted) will add a further £120k p.a. to our payroll costs. This coupled with the on-going risk to pensions costs provided good reason to continue to set aside the circa £180k p.a.

- Business Rates Equalisation – this reserve was created in 2012/13 in anticipation of the new rules governing localised Business Rates and the funding risk inherent within the scheme. The current strategy assumes that any excess Business Rates above our baseline are transferred into this reserve to mitigate any funding shortfalls prior to the safety net being reached.

The current approved MTFs established a working balance of 3 years' worth of safety payments to provide some headroom to mitigate the funding risk - this equates to circa £500k.

The fund was established with £300k and then added to with budget surpluses and a prior year income adjustment. The available balance on the reserve at 1 April 2015 is £1.3m and it is anticipated that further receipts will be available to add to this reserve in 2015/16.

The latest estimates for Business Rates income suggests that the Council will be above its target for 2015/16 and 2016/17 and therefore there is the potential to release some resources for alternative use.

At this stage the reserve balances above the minimum recommended balance of £500k are proposed for release to the Special Projects Reserve. However, if New Homes Bonus comes to an end then this reserve could be used to support the revenue budget and help manage the consequential funding reduction.

- Contingency – this reserve provides resources to cover unforeseen issues beyond those that can be accommodated by in year contingency budgets – for example significant planning appeal costs. The reserve is topped-up using year-end surpluses if available and required. In 2015/16 £281k has been drawn down to cover the additional costs of Plan Selby. The

## Appendix A

current forecast balance of £504k at 31 March 2016 is only slightly above the recommended balance of £500k and therefore no changes are proposed at this stage.

- Discretionary Rate Relief – this reserve was established with £300k from the 2012/13 General Fund revenue surplus. Future contributions could come from excess Business Rates income subject to availability and prioritising against the revenue budget and ‘Programme for Growth’.
- Special Projects Reserve - £880k of New Homes Bonus in 2012/13 – 2015/16 has been used to top up this reserve for the Council’s ‘Programme for Growth’. Contributions beyond 2015/16 are subject to sufficient NHB and/or Business Rates growth. **It must be stressed that the use of NHB resources to fund growth is wholly dependent upon achieving the revenue savings targets set.**

2.29 A forecast of General Fund reserve balances is set out at **Appendix B**.

### 3 Revenue Budget Outlook 2016/17 to 2018/19

#### Costs

- 3.1 It is assumed that on average costs will increase in line with inflation. Whilst cuts in general grant continue, any demand led cost pressures must be contained within the net revenue budget.

#### Income

- 3.2 Income levels are improving and helping to support Access Selby’s savings plan. Opportunities for growing income generation remain a priority and proposals for the commercialisation of some services are currently in development. A strategic review of income generation is proposed as part of our savings work.

## Appendix A

### Net Budget

- 3.3 The forecasted resources available to support the revenue budget for 2016/17 to 2018/19 are shown in the table below (mid case):

General Fund Revenue Resources	2016/17 £000's	2017/18 £000's	2018/19 £000's
Council Tax	4,860	5,006	5,158
SFA	3,589	3,230	2,907
NHB	2,517	2,072	1,637
Special and Specific Grants	0	0	0
Collection Fund Surplus	129	62	0
Business Rates Collection Fund Deficit	750	750	950
<b>Total Resources</b>	<b>11,845</b>	<b>11,120</b>	<b>10,652</b>
Core	4,485	4,242	4,327
Access Selby	5,424	5,384	5,492
Investment Interest	-240	-280	-300
Parish Grant	86	77	70
Reserves Transfers (Net)	1,731	1,678	1,378
<b>Total Net Budget</b>	<b>11,486</b>	<b>11,101</b>	<b>10,967</b>
<b>Surplus/(Deficit)</b>	<b>359</b>	<b>19</b>	<b>(315)</b>

- 3.4 Due to the uncertainty of Government grant/Business Rates it is extremely difficult to predict the level of resources we can expect beyond 2015/16. The strategy assumes that whilst it remains available, NHB is used to support the Programme for Growth (recognising that this funding is at risk) and to help backfill funding cuts. A level of Business Rates surplus provides some capacity to replace NHB if it is phased out but additional savings may be needed.
- 3.5 The on-going risk to the Council's funding means that a careful balance between savings and investment will need to be struck and we will continue to strive for more efficient and effective services. This in turn, will enable the financial capacity for investment to achieve sustainable cash 'returns' and minimise the impact on front line service outcomes.
- 3.6 Based on the current Medium Term Financial Plan (3 year budget) and the assumptions in this paper, revenue resources are expected to fall by £1.2m to £10.7m by 2018/19 which reflects the reducing central Government funding and means that inflationary and other cost pressures must be managed within the available resources.
- 3.7 Plans for income generation and savings to bridge the estimated gap to 2017/18 are in progress but we must be ready to cope with more severe cuts should the need arise. A further **£700k** target is therefore proposed for 2018/19 and 2019/20. This takes our overall targets to:
- **Transforming** through ICT and flexible working – **£600k** (previously £350k by 2017/18)

## Appendix A

- **Growing** resources through trading – **£600k** (previously £350k by 2017/18)
  - **Commissioning** to achieve efficiencies and reduce demand for public sector services - **£1m** (previously £800k by 2017/18)
- 3.8 Our collaboration with North Yorkshire County Council and other partners continues to be an important part of this work as is the commercialisation of our business, reducing demand for services and income generation – we are developing appropriate strategies to ensure delivery of our targets.
- 3.9 The latest versions of the savings action plans are set out at **Appendix C** and in summary show:

<b>Current Savings Summary</b>	<b>2015/16 £000's</b>	<b>2016/17 £000's</b>	<b>2017/18 £000's</b>	<b>2018/19 £000's</b>	<b>2019/20 £000's</b>
Access Selby savings	458	930	933	933	933
Core savings	310	594	593	595	593
New savings targets				350	700
<b>Total savings</b>	<b>768</b>	<b>1,524</b>	<b>1,526</b>	<b>1,876</b>	<b>2,226</b>

## 4 Capital Programme

- 4.1 The Council's General Fund Capital Programme contains the 'business as usual' capital projects planned – these include Disabled Facilities Grants (DFGs), ICT replacements and major works to the Council's assets. Expenditure is funded by earmarked reserves set aside for these specific purposes, or in the case of DFGs, through capital receipts from Council House and other small asset sales. The approved programme is attached at **Appendix D**.
- 4.2 There is currently around £5.7m available in usable capital receipts expected over next 3 years from right to buy receipts and land sales. These receipts are generally used to cover the cost of Disabled Facilities Grants, however increases in Council House sales and the Council's agreement with the Government to retain extra receipts to achieve one for one replacement of Council homes, means that going forward, receipts retained from council house sales may be used to support new house building.
- 4.3 The fire at Abbey Leisure Centre and the resulting temporary gym arrangements mean that receipts from the sale of land at the former Civic Centre site will be delayed beyond 2015. These receipts were originally earmarked for the Programme for Growth although they have been substituted by other resources to mitigate the need for additional borrowing. If they are realised then they will be available for reinvestment in the district or could be used to repay debt if this could achieve a more favourable outcome for the Council.



## Appendix A

- 4.4 In 2015/16 further (internal) prudential borrowing will be used to cover the purchase of a strategic site at Burn and funding towards the new leisure village in Selby. Further borrowing requirements will be kept under review as the new 'Programme for Growth' develops.

### 5 Programme for Growth

- 5.1 The 'Programme for Growth' is the Council's strategic programme to support delivery of its Corporate Plan. The programme comprises a range of cross cutting projects designed to '**make Selby a great place**' by investing in jobs; housing and infrastructure; retail; and the leisure economy. The approved programme, which aligns to the new Corporate Plan, is set out at **Appendix E**.
- 5.2 The programme to the end of 2015/16 is currently sustained by New Homes Bonus (£880k p.a.). In summary, the latest programme is set out in the table below:

Programme	Capital £000	Revenue £000
Leisure	6,075	175
Jobs/skills	0	725
Housing	75	184
Infrastructure/economic development	0	639
<b>Total</b>	<b>6,150</b>	<b>1,723</b>
<b>Funding</b>		
Special Projects Reserves	1,650	2,346
Borrowing	4,500	0
<b>Uncommitted Balance/contingency</b>	<b>0</b>	<b>623</b>

- 5.3 There currently remains £623k in the programme contingency, which is available for new projects that emerge over the life of the Corporate Plan. These resources could increase further subject to the future of New Homes Bonus.
- 5.4 However, this of course relies heavily on no major changes to the New Homes Bonus scheme and delivery of the savings needed to balance the revenue budget.
- 5.5 There may also be opportunity to extend the programme further through bids for funding from external partners (such as the LEP) and/or should income allow, through excess Business Rates.
- 5.6 The resources available to fund the programme will be reviewed annually in light of announcements on Local Government funding and the Council's financial outlook. However the Council's strategic approach to its future financial sustainability is reliant upon investment to stimulate housing and business growth which in turn will generate

local funds through Council Tax and Business Rates to mitigate losses in central Government funding and provide the capacity for further reinvestment.

### 7 Conclusions

- 7.1 Forecasted revenue resources for 2016/17 are £11.845m. Based on current spending plans our Net Revenue Budget for 2016/17 is £10.486m (including savings of £418k) giving an estimated surplus for the year of £359k which provides a buffer should there be delays to planned savings or if Government funding cuts are front loaded.
- 7.2 Looking ahead to 2018/19 (and 2019/20) and the potential 40% additional funding cuts expected, the savings on the General Fund are estimated to extend by a further £350k (plus potential for a further £350k for 2019/20), which when combined with £1.5m savings already planned to 2017/18, means a total savings target of £1.9m between 2015/16 and 2018/19 (and potentially £2.2m by 2019/20). Where possible Business Rates surpluses can be used to help bridge the funding gap but it would be prudent to plan for the additional savings requirement at this stage.
- 7.3 Proposals for further savings will be brought forward as part of the budget process and once the detail of the 2015 Spending Review is known.
- 7.4 There remains risk with the business rates retention scheme, New Homes Bonus, the continuing economic situation, income generation and delivery of savings. The Council's longer term financial position is heavily reliant upon resources keeping pace with inflation and costs being contained within base budget.
- 7.5 Currently, New Homes Bonus is crucial to our financial resilience and to our capacity to invest in Selby District. Whilst it continues, £880k p.a. is funding the Programme for Growth with the remainder supporting the Council's revenue budget. For 2014/15 Selby has benefitted by a net gain of £1.53m. If this trend continues, the gain could rise to £2.2m by year 6 of the scheme, with £1.6m being used to support on-going revenue expenditure. Improvements in Business Rates income provides the potential to replace these resources should the need arise but withdrawal of the scheme may require further savings.
- 7.6 Meeting the on-going savings challenge features strongly in the Council's strategic and operational plans and this work will continue. Our collaboration with North Yorkshire County Council and other partners, the commercialisation of our business, reducing demand for services and income generation are important to this work.

## Appendix A

- 7.7 The on-going risk to the Council's funding means that a careful balance between savings and investment will need to be struck. We will continue to strive for more efficient and effective services which in turn will provide the financial capacity for investment – replacing central Government funding with sustainable cash returns in the form of income from services, Council Tax and Business Rates.

**SELBY DISTRICT COUNCIL - 10 YEAR FINANCIAL PLAN (Aug 2015 V3) Best Case**

	Base 2015/16	← Medium Term Financial Plan → 2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>KEY ASSUMPTIONS</b>											
Inflation		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Interest Rates		1.75%	2.00%	2.25%	2.50%	3.00%	3.50%	4.00%	4.00%	4.00%	4.00%
Tax Base Increase		2.10%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Government Grant (SUFA) Increase		-10.00%	-10.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Council Tax Increase		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
<b>COUNCIL TAX</b>											
Tax Base (Number of Band D Equivalents)	29.117	29.728	30.026	30.326	30.629	30.936	31.245	31.557	31.873	32.192	32.514
Council Tax @ Band D (£)	162.00	165.24	168.54	171.92	175.35	178.86	182.44	186.09	189.81	193.60	197.48
Council Tax Income (£000's)	4,717	4,912	5,061	5,214	5,371	5,533	5,700	5,872	6,050	6,233	6,421
Precept (£000's)	4,717	4,912	5,061	5,214	5,371	5,533	5,700	5,872	6,050	6,233	6,421
<b>REVENUE FINANCING</b>											
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Council Tax	4,717	4,912	5,061	5,214	5,371	5,533	5,700	5,872	6,050	6,233	6,421
SFA	3,988	3,589	3,230	3,295	3,361	3,428	3,497	3,566	3,638	3,711	3,785
Council Tax Freeze Grant	49	-	-	-	-	-	-	-	-	-	-
New Homes Bonus	2,078	2,517	2,455	2,455	2,455	2,455	2,455	2,455	2,455	2,455	2,455
Special and Specific Grants	22	-	-	-	-	-	-	-	-	-	-
Council Tax Collection Fund Surplus/Deficit (+/-)	84	129	62	-	-	-	-	-	-	-	-
Business Rates Collection Fund Surplus/Deficit (+/-)	- 164	750	1,899	1,938	1,978	2,018	2,058	2,099	2,141	2,184	2,228
<b>TOTAL EXTERNAL RESOURCES</b>	<b>10,774</b>	<b>11,898</b>	<b>12,707</b>	<b>12,901</b>	<b>13,165</b>	<b>13,434</b>	<b>13,710</b>	<b>13,993</b>	<b>14,284</b>	<b>14,582</b>	<b>14,888</b>

(a)

<b>REVENUE BUDGET</b>	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Operational Budget - Core	6,781	4,525	4,262	4,347	4,570	4,523	4,613	4,706	4,953	4,896	4,994
Operational Budget - Access Selby	5,695	5,424	5,384	5,492	5,602	5,714	5,828	5,944	6,063	6,185	6,308
Investment Interest	- 200	- 280	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300
Parish CTS Grant	96	86	77	70	71	73	74	76	77	79	80
<b>Contributions to Reserves:</b>											
PFI Scheme (Updated - incl SDC's contribution & interest)	380	399	401	435	437	440	442	443	443	443	443
Building Repairs	130	130	130	130	130	130	130	130	130	130	130
Computer Development	150	150	150	150	150	150	150	150	150	150	150
District Election	30	34	34	34	34	34	38	38	38	38	38
Pension Equalisation	181	183	183	183	183	183	183	183	183	183	183
Special Projects/P4G (C.Tax Freeze Grant)	119										
Special Projects/P4G (New Homes Bonus)	880	880	880	880	880	880	880	880	880	880	880
Special Projects/P4G (Business Rates)		750	1,899	1,938	1,978	2,018	2,058	2,099	2,141	2,184	2,228
Access Selby (Lifeline)	79	11	10								
Access Selby		206	229								
<b>Contributions from Reserves:</b>											
Spend to Save											
ICT	- 248	- 263	- 293								
PFI	- 400	- 411	- 423	- 434	- 447	- 459	- 472	- 484	- 497	- 497	- 497
Building Repairs	- 38	- 64	- 3								
Special Project/P4G	- 2,392	- 174	- 170								
District Election	- 80				- 136				- 153		
Access Selby	- 92										
NYCC Collaboration	- 100	- 100	- 50								
Business Rates Equalisation	- 164										
<b>Forecast Net Revenue Budget</b>	<b>(b) 10,807</b>	<b>11,486</b>	<b>12,400</b>	<b>12,925</b>	<b>13,152</b>	<b>13,384</b>	<b>13,625</b>	<b>13,864</b>	<b>14,108</b>	<b>14,370</b>	<b>14,637</b>

**SELBY DISTRICT COUNCIL - 10 YEAR FINANCIAL PLAN (Aug 2015 V3) Mid Case**

**Appendix A(ii)**

	Base 2015/16	← Medium Term Financial Plan →									
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	
<b>KEY ASSUMPTIONS</b>											
Growth/Inflation		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Interest Rates		1.50%	1.75%	2.00%	2.50%	3.00%	3.50%	4.00%	4.00%	4.00%	4.00%
Tax Base Increase		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Government Grant (SFA) Increase		-10.00%	-10.00%	-10.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Council Tax Increase		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
<b>COUNCIL TAX</b>											
Tax Base (Number of Band D Equivalents)	29.117	29.408	29.702	29.999	30.299	30.602	30.908	31.217	31.530	31.845	32.163
Council Tax @ Band D (£)	162.00	165.24	168.54	171.92	175.35	178.86	182.44	186.09	189.81	193.60	197.48
Council Tax Income (£000's)	4,717	4,859	5,006	5,157	5,313	5,474	5,639	5,809	5,985	6,165	6,352
Precept (£000's)	4,717	4,859	5,006	5,157	5,313	5,474	5,639	5,809	5,985	6,165	6,352
<b>REVENUE FINANCING</b>											
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Council Tax	4,717	4,859	5,006	5,157	5,313	5,474	5,639	5,809	5,985	6,165	6,352
SFA	3,988	3,589	3,230	2,907	2,965	3,025	3,085	3,147	3,210	3,274	3,340
Council Tax Freeze Grant	49	-	-	-	-	-	-	-	-	-	-
New Homes Bonus	2,078	2,517	2,072	1,637	1,334	792	439	-	-	-	-
Special and Specific Grants	22	-	-	-	-	-	-	-	-	-	-
Council Tax Collection Fund Surplus/Deficit (+/-)	84	129	62								
Business Rates Collection Fund Surplus/Deficit (+/-)	- 164	750	750	950	969	988	1,008	1,028	1,049	1,070	1,091
<b>TOTAL EXTERNAL RESOURCES</b>	<b>10,774</b>	<b>11,845</b>	<b>11,120</b>	<b>10,652</b>	<b>10,581</b>	<b>10,279</b>	<b>10,171</b>	<b>9,984</b>	<b>10,243</b>	<b>10,509</b>	<b>10,782</b>

(a)

REVENUE BUDGET	Base	← Medium Term Financial Plan →				Appendix A(ii)						
	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	2023/24 £000's	2024/25 £000's	2025/26 £000's	
Operational Budget - Core	6,781	4,485	4,242	4,327	4,549	4,502	4,592	4,684	4,930	4,873	4,970	
Operational Budget - Access Selby	5,695	5,424	5,384	5,492	5,602	5,714	5,828	5,944	6,063	6,185	6,308	
Investment Interest	- 200	- 240	- 280	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300	
Parish CTS Grant	96	86	77	70	71	73	74	76	77	79	80	
<b>Contributions to Reserves:</b>												
PFI Scheme (Updated - incl SDC's contribution & interest)	380	399	401	435	437	440	442	443	443	443	443	
Building Repairs	130	130	130	130	130	130	130	130	130	130	130	
Computer Development	150	150	150	150	150	150	150	150	150	150	150	
District Election	30	34	34	34	34	34	38	38	38	38	38	
Pension Equalisation	181	183	183	183	183	183	183	183	183	183	183	
Special Projects/P4G (C. Tax Freeze Grant)	119											
Special Projects/P4G (New Homes Bonus)	880	880	880	880	880	792	439	-	-	-	-	
Special Projects/P4G (Business Rates)		750	600									
Access Selby (Lifeline)	79	11	10									
Access Selby		206	229									
<b>Contributions from Reserves:</b>												
Spend to Save												
ICT	- 248	- 263	- 293									
PFI	- 400	- 411	- 423	- 434	- 447	- 459	- 472	- 484	- 497	- 497	- 497	
Building Repairs	- 38	- 64	- 3									
Special Project/P4G	- 2,392	- 174	- 170									
District Election	- 80				- 136				- 153			
Access Selby	- 92											
NYCC Collaboration	- 100	- 100	- 50									
Business Rates Equalisation	- 164											
<b>Forecast Net Revenue Budget</b>	<b>(b) 10,807</b>	<b>11,486</b>	<b>11,101</b>	<b>10,967</b>	<b>11,153</b>	<b>11,258</b>	<b>11,104</b>	<b>10,863</b>	<b>11,065</b>	<b>11,283</b>	<b>11,506</b>	
<b>Difference between resources and forecast budget (a - b)</b>	<b>- 33</b>	<b>359</b>	<b>19</b>	<b>- 315</b>	<b>- 572</b>	<b>- 979</b>	<b>- 933</b>	<b>- 879</b>	<b>- 822</b>	<b>- 774</b>	<b>- 724</b>	

**SELBY DISTRICT COUNCIL - 10 YEAR FINANCIAL PLAN (Aug 2015 V3) Worst Case**

	Base 2015/16	← Medium Term Financial Plan → 2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>KEY ASSUMPTIONS</b>											
Inflation		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Interest Rates		1.25%	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%	4.00%	4.00%	4.00%
Tax Base Increase		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Government Grant (SUFA) Increase		-10.00%	-10.00%	-10.00%	-10.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Council Tax Increase		0.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
<b>COUNCIL TAX</b>											
Tax Base (Number of Band D Equivalents)	29.117	29.408	29.702	29.999	30.299	30.602	30.908	31.217	31.530	31.845	32.163
Council Tax @ Band D (£)	162.00	162.00	165.24	168.54	171.92	175.35	178.86	182.44	186.09	189.81	193.60
Council Tax Income (£000's)	4,717	4,764	4,908	5,056	5,209	5,366	5,528	5,695	5,867	6,044	6,227
Precept (£000's)	4,717	4,764	4,908	5,056	5,209	5,366	5,528	5,695	5,867	6,044	6,227
<b>REVENUE FINANCING</b>											
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Council Tax	4,717	4,764	4,908	5,056	5,209	5,366	5,528	5,695	5,867	6,044	6,227
SFA	3,988	3,589	3,230	2,907	2,617	2,669	2,722	2,777	2,832	2,889	2,947
Council Tax Freeze Grant	49	49	-	-	-	-	-	-	-	-	-
New Homes Bonus	2,078	2,517	2,072	1,637	1,334	792	439	-	-	-	-
Special and Specific Grants	22	-	-	-	-	-	-	-	-	-	-
Council Tax Collection Fund Surplus/Deficit (+/-)	84	129	62								
Business Rates Collection Fund Surplus/Deficit (+/-)	- 164	750									
<b>TOTAL EXTERNAL RESOURCES</b>	<b>10,774</b>	<b>11,798</b>	<b>10,272</b>	<b>9,600</b>	<b>9,159</b>	<b>8,827</b>	<b>8,690</b>	<b>8,472</b>	<b>8,699</b>	<b>8,933</b>	<b>9,174</b>

(a)



REVENUE BUDGET	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Operational Budget - Core	6,781	4,445	4,202	4,286	4,508	4,459	4,548	4,639	4,885	4,827	4,923
Operational Budget - Access Selby	5,695	5,424	5,384	5,492	5,602	5,714	5,828	5,944	6,063	6,185	6,308
Investment Interest	- 200	- 200	- 240	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300
Parish CTS Grant	96	86	77	70	63	64	66	67	68	70	71
<b>Contributions to Reserves:</b>											
PFI Scheme (Updated - incl SDC's contribution & interest)	380	399	401	435	437	440	442	443	443	443	443
Building Repairs	130	130	130	130	130	130	130	130	130	130	130
Computer Development	150	150	150	150	150	150	150	150	150	150	150
District Election	30	34	34	34	34	34	38	38	38	38	38
Pension Equalisation	181	183	183	183	183	183	183	183	183	183	183
Special Projects/P4G (C.Tax Freeze Grant)	119										
Special Projects/P4G (New Homes Bonus)	880	880									
Special Projects/P4G (Business Rates)		750									
Access Selby (Lifeline)	79	11	10								
Access Selby		206	229								
<b>Contributions from Reserves:</b>											
Spend to Save											
ICT	- 248	- 263	- 293								
PFI	- 400	- 411	- 423	- 434	- 447	- 459	- 472	- 484	- 497	- 497	- 497
Building Repairs	- 38	- 64	- 3								
Special Project/P4G	- 2,392	- 174	- 170								
District Election	- 80				- 136				- 153		
Access Selby	- 92										
NYCC Collaboration	- 100	- 100	- 50								
Business Rates Equalisation	- 164										
<b>Forecast Net Revenue Budget</b>	<b>(b) 10,807</b>	<b>11,486</b>	<b>9,621</b>	<b>10,046</b>	<b>10,223</b>	<b>10,415</b>	<b>10,613</b>	<b>10,810</b>	<b>11,011</b>	<b>11,228</b>	<b>11,450</b>
<b>Difference between resources and forecast budget (a - b)</b>											
	<b>- 33</b>	<b>312</b>	<b>651</b>	<b>- 445</b>	<b>- 1,064</b>	<b>- 1,588</b>	<b>- 1,923</b>	<b>- 2,338</b>	<b>- 2,311</b>	<b>- 2,295</b>	<b>- 2,276</b>
Note: Savings included in revenue budget	418	884	1417	1,445	1,474	1,504	1,534	1,564	1,596	1,628	1,660

<b>Reserves</b>															
Description	Actual Balance 31 March 15	Adjustments relating to 14/15 MTFS	Use	Contribs	Estimated Balance 31 March 16	Use	Contribs	Estimated Balance 31 March 17	Use	Contribs	Estimated Balance 31 March 18				
	£		£	£	£	£	£	£	£	£	£				
<b>Revenue Reserves</b>															
<b>General Fund</b>															
<b>Reserves to fund future commitments:</b>															
PFI Scheme	2,385,274	-	400,290	379,780	2,364,764	-	411,500	398,980	2,352,244	-	423,020	400,720	2,329,944		
ICT	695,040	-	248,300	200,000	646,740	-	262,500	200,000	584,240	-	292,500	200,000	491,740		
Building Repairs & Projects	267,478	-	38,500	130,000	358,978	-	64,500	130,000	424,478	-	2,940	130,000	551,538		
Election	126,954	-	80,000	30,000	76,954	-		34,000	110,954	-		34,000	144,954		
Tadcaster Central Area	204,936	-	136,000		68,936	-			68,936	-			68,936		
Industrial Units	50,275	-			50,275	-			50,275	-			50,275		
Open Space Maintenance	58,535	-			58,535	-			58,535	-			58,535		
GF Carried Fwd Budgets	966,580	-	966,580		-	-			-	-			-		
Affordable Housing	120,568	-			120,568	-			120,568	-			120,568		
	4,875,640	-	136,000	-	1,733,670	739,780	3,745,750	-	738,500	762,980	3,770,230	-	718,460	764,720	3,816,490
<b>Reserves to fund growth and improvement:</b>															
Special Projects (Programme for Growth)	691,800	1,264,127	-	691,800	1,000,000	2,264,127			2,264,127				2,264,127		
Special Projects (Non_PFG commitments)	409,038	-	167,000		242,038				242,038				242,038		
Discretionary Rate Relief Fund	300,000				300,000				300,000				300,000		
NYCC Collaboration	250,000	-	100,000		150,000	-	100,000		50,000	-	50,000		-		
Spend To Save (Business Development)	359,663	228,000			587,663				587,663				587,663		
	2,010,502	1,325,127	-	791,800	1,000,000	3,543,829	-	100,000	-	3,443,829	-	50,000	-	3,393,829	
<b>Reserves to mitigate financial risk:</b>															
Pensions Equalisation Reserve	786,120	-	600,000		181,110	367,230		182,820	550,050		182,820		732,870		
NDR Equalisation	1,257,318	-	164,000		1,093,318	-	164,000		929,318	-	164,000		765,318		
Planning Inquiries	100,000	-	100,000		-				-				-		
Access Selby	602,301	-	234,000	-	92,070	79,000	355,231		217,630		572,861		239,700	812,561	
Contingency	837,958	-	53,135		784,823				784,823				784,823		
General Fund	1,673,872	-	174,000		1,499,872				1,499,872				1,499,872		
	5,257,568	-	1,161,135	-	256,070	260,110	4,100,473	-	164,000	400,450	4,336,923	-	164,000	422,520	4,595,443
<b>Other Reserves:</b>															
Sherburn Amenity Land	9,992	-	9,992		-				-				-		
Wheeled Bins	18,000	-	18,000		-				-				-		
	27,992	-	27,992		-				-				-		
<b>Total GF Revenue reserves</b>	<b>12,171,702</b>	<b>-</b>	<b>-</b>	<b>2,781,540</b>	<b>1,999,890</b>	<b>11,390,052</b>	<b>-</b>	<b>1,002,500</b>	<b>1,163,430</b>	<b>11,550,982</b>	<b>-</b>	<b>932,460</b>	<b>1,187,240</b>	<b>11,805,762</b>	
<b>Capital Reserves</b>															
General Capital Receipts*	1,925,615	-	329,430	1,053,150	2,649,335	-	175,000	1,065,020	3,539,355	-	145,000	1,096,060	4,490,415		
Capital Receipts (Programme for Growth)	-				-			1,000,000	1,000,000				1,000,000		
Capital Receipts (HRA Reserved )	77,672	-	77,672	152,850	152,850	-	152,850	197,780	197,780	-	197,780	225,870	225,870		
<b>Total GF Capital Receipts</b>	<b>2,003,287</b>	<b>-</b>	<b>-</b>	<b>407,102</b>	<b>1,206,000</b>	<b>2,802,185</b>	<b>-</b>	<b>327,850</b>	<b>2,262,800</b>	<b>4,737,135</b>	<b>-</b>	<b>342,780</b>	<b>1,321,930</b>	<b>5,716,285</b>	
* Capital receipts include assumptions on right to buy sales															
Note: Capital receipts subject to a review of requirements of council house 'one for one replacement'															

### Access Selby - General Fund Savings

Proposed Savings	Sponsor	Status	2015/16	2016/17	2017/18	Update
			£	£	£	
<b>IT &amp; Transformation Workstream</b>						
CRM Replacement	J Lund	Red	8,980	66,252	66,252	Phase 1 saw CRM go live in July 2015. Phase 2 is currently being scoped.
Mobile Working	J Lund	Red	-	41,728	41,728	Project currently under review by Access Selby Directors. Any changes will be reflected in the savings plan once the review is complete.
Review of planning advice and consultants	E Scothern	Amber	3,750	3,750	3,750	Savings achieved on experts but due to increased number of applications the overall spending might not be reduced.
Joint Business Support Manager Post	J Barlow	Green	3,632	-	-	Saving to be reviewed in conjunction with options for long term arrangements
Formal amalgamation of District newspaper and County Council publications	J Barlow	Red	3,000	3,000	3,000	Awaiting long term decision from NYCC
Opening of Civic Centre Better Together	J Barlow	Green	6,083	6,083	6,083	Completed
	J Lund	Amber	75,000	150,000	150,000	Various projects including Finance, Business Support, Assets & Customer Services. First meeting held on 6th July to exchange information on land holdings.
Electronic Payments	J Lund	Amber	0	25,000	25,000	Project linked to CRM and will follow in the later phases.
Improved Revs & Bens Value for Money	J Lund	Amber	25,000	50,000	50,000	Competitive Dialogue process to commence in July 2015. - £25k saving will be achieved in 2015/16 due to frozen post.
Further Internal Efficiencies	Various	Red	25,000	50,000	50,000	Officers exploring internal efficiencies through improved processes and IT.
Access Selby Commercialisation	Mark Steward	Amber	5,000	50,000	50,000	Officers working on commercialisation of repairs & maintenance.
<b>Total Transformation</b>			<b>155,445</b>	<b>445,813</b>	<b>445,813</b>	
<b>Commissioning Workstream</b>						
Printers		Green	18,811	18,811	18,811	Completed
Lifeline pendants	S Parkinson	Green	-	67,576	69,000	Projected savings on track to be delivered
Postage and Mail	G Bruce	Amber	5,000	5,000	5,000	Further work required before savings can be confirmed
Supplier Engagement	K Cadman	Red	20,000	20,000	20,000	Options are limited in this area, officers will be seeking alternative savings.
	ICT Shared	Amber	14,500	14,500	14,500	On Target
Reduce Tail end spend	Service Manager	Amber	7,500	7,500	7,500	Options currently under review.
IT Service Contracts	G Shelley	Amber	7,500	7,500	7,500	Options currently under review.
External Audit - Grants Audit Fee	K Iveson	Green	8,130	8,130	8,130	Completed
Lexis Nexis Legal Library	J Barlow	Green	13,500	13,500	13,500	Completed
Community Support Vehicle lease	S Parkinson	Green	3,940	3,940	3,940	Completed
Improved Waste / Recycling Value for Money	K Iveson	Amber	-	100,000	100,000	
Maximise use of Civic Centre Office Space	J Lund	Amber	22,500	45,000	45,000	Based on an additional 30 desks occupied by partners.
<b>Total Commissioning</b>			<b>113,881</b>	<b>303,957</b>	<b>305,381</b>	
<b>Income Generation Workstream</b>						
Negotiation for share of out performance on Council Tax collection	G Marshall	Amber	3,961	3,961	3,961	Target under constant review and outcome is based on full year performance.
Land Charges Income - Search fees	G Marshall	Amber	48,000	21,000	21,000	On track to achieve £48k in current year.
Legal Income	J Barlow	Green	32,750	8,750	8,750	On track to achieve savings from increase in fee-generating work.
Street Naming & Numbering	G Shelley	Green	30,000	18,000	18,000	On track to achieve savings
Registrar Service	D Richardson	Green	10,994	10,994	10,994	Completed

Proposed Savings	Sponsor	Status	2015/16	2016/17	2017/18	Update
			£	£	£	
Caravan inspection fee	S Parkinson	Green	2,000	2,000	2,000	On track to achieve savings
Policy changes to introduce new income streams	E Scothern	Red	26,783	78,783	80,823	Service areas are reviewing areas where this may be appropriate.
Community Support Lifeline Income	S Parkinson	Amber	20,000	20,000	20,000	Income growth has been achieved, however due to grant funding being reduced the additional income is only mitigating the loss.
<b>Total Income Generation</b>			<b>174,488</b>	<b>163,488</b>	<b>165,528</b>	
<b>Other</b>						
Agency Staff	J Barlow	Red	-	2,500	2,500	Savings opportunity identified for future years
NY regional strategy officer	S Parkinson	Green	2,520	2,520	2,520	Completed
Community Support Office telephone savings	S Parkinson	Green	9,600	9,600	9,600	Completed
Contracts General Office Expenses	E Scothern	Green	360	360	360	Completed
Contracts - Officer subsistence general saving	E Scothern	Green	200	200	200	Completed
Commercial Waste	E Scothern	Green	1,160	1,160	1,160	Completed
Environmental Health & Housing telephone savings	E Scothern	Green	430	430	430	Completed
<b>Total Other</b>			<b>14,270</b>	<b>16,770</b>	<b>16,770</b>	
<b>Total General Fund Savings in Progress</b>			<b>458,084</b>	<b>930,028</b>	<b>933,492</b>	

## Key:

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

**Core Savings Plan**

Proposed Savings	Status	2015/16	2016/17	2017/18	Progress
		£	£	£	
<b>Procurement Workstream</b>					
Leisure Management Contract	Green	75,000	150,000	150,000	-
Community / Pooled Budgets	Red	5,000	10,000	10,000	-
Improved waste / recycling value for money	Amber	50,000	100,000	100,000	-
Banking tender	Green	10,000	10,000	8,400	Go live happened successfully in August, on target
<b>Total Procurement</b>		<b>140,000</b>	<b>270,000</b>	<b>268,400</b>	
<b>Transformation Workstream</b>					
Better Together - Finance	Green	44,000	44,000	44,000	Savings will be achieved in 2015/16 - Future years will be dependant on the success of the trial period.
<b>Total Transformation</b>		<b>44,000</b>	<b>44,000</b>	<b>44,000</b>	
<b>Value for Money Workstream</b>					
Internal Drainage Boards	Green	20,000	-	-	levies lower than budgeted for 2015/16
Ward Boundary Review	Amber	41,430	41,430	41,430	Based on current scheme, to be implemented following the general election in 2015
<b>Total Value for Money</b>		<b>61,430</b>	<b>41,430</b>	<b>41,430</b>	
<b>Base Budget Review Workstream</b>					
NDR Base Budget Review - Various small sites	Green	14,390	14,390	14,390	-
<b>Total Base Budget Review</b>		<b>14,390</b>	<b>14,390</b>	<b>14,390</b>	
<b>Discretionary Service Review Workstream</b>					
<b>Total Discretionary Service Review</b>	Green	0	0	0	
<b>Income Generation Workstream</b>					
Use of assets for advertising space	Amber	25,000	25,000	25,000	Negotiations ongoing with NYCC about income split in 15/16
General Fund Housing Development	Amber	25,000	50,000	50,000	-
Green Energy	Red	-	150,000	150,000	Feasibility work completed and detailed business cases to be prepared, subject to Executive decision on 3 September 2015. Saving will not be achieved in 15/16.
<b>Total Income Generation</b>		<b>50,000</b>	<b>225,000</b>	<b>225,000</b>	
<b>Total General Fund Savings</b>		<b>309,820</b>	<b>594,820</b>	<b>593,220</b>	

**2015/16 – 2018/19 GENERAL FUND CAPITAL PROGRAMME**

	Current Programme 2015/16 £	Estimated Programme 2016/17 £	Estimated Programme 2017/18 £
<b><u>PROJECTS</u></b>			
Asset Management Plan Leisure Centres & Park	3,350	12,500	2,940
Tadcaster Central Area	2,000		
Road Adoption - Industrial Units Sherburn	23,785		
Mast Relocation	139,060		
Tadcaster Bus Station refurbishment	25,000		
Replacement Car Park Ticket Machines		52,000	
Collapsed Culvert - Portholme Road	150,000		
Lifeline Equipment			50,000
Housing Development	1,550,000	1,250,000	1,250,000
Burn Airfield	1,700,000		
<b><u>Grants</u></b>			
Disabled Facilities Grants	447,230	300,000	300,000
Repair Assistance Loans	37,200	30,000	
<b><u>ICT Hardware &amp; Systems Within ICT Strategy</u></b>			
Implementation & Infrastructure Costs	240,120	245,000	275,000
Desktop Replacement Programme	35,840	17,500	17,500
CRM & Website	93,970		
Mobile Working Solution	249,800		
<b>TOTAL</b>	<b>4,697,355</b>	<b>1,907,000</b>	<b>1,895,440</b>
<b><u>SUMMARY OF FUNDING</u></b>			
Capital Receipts	329,430	175,000	145,000
Grants & Contributions	155,000	155,000	155,000
Reserves	962,925	327,000	345,440
Borrowing	3,250,000	1,250,000	1,250,000
<b>TOTAL</b>	<b>4,697,355</b>	<b>1,907,000</b>	<b>1,895,440</b>

## Programme for Growth 15/16 to 19/20

Projects	Capital £	Revenue £	Estimate 15/16 £	Estimate 16/17 £	Estimate 17/18 £	Estimate 18/19 £	Estimate 19/20 £
Healthy living - concepts fund	-	175,000	35,000	35,000	35,000	35,000	35,000
Leisure Village	6,000,000	-	6,000,000	-	-	-	-
Selby Skate Park	75,000	-	75,000	-	-	-	-
Ready 4 Work	-	16,556	16,556	-	-	-	-
Growing enterprise	-	175,000	69,000	39,000	35,000	32,000	-
Market Selby's USP	-	62,664	22,664	20,000	20,000	-	-
Community skills/capacity building	-	100,000	100,000	-	-	-	-
Retail experience	-	351,576	351,576	-	-	-	-
Construction skills hub	-	20,000	20,000	-	-	-	-
Empty homes	75,000	18,975	30,975	31,500	31,500	-	-
Housing Trust	-	133,750	51,250	30,000	30,000	22,500	-
St Josephs St	-	31,000	31,000	-	-	-	-
Green energy	-	30,000	30,000	-	-	-	-
Strategic sites	-	285,000	185,000	50,000	50,000	-	-
Town masterplanning	-	250,000	250,000	-	-	-	-
Green infrastructure	-	20,000	20,000	-	-	-	-
Economic Development Projects arising from ERYC peer review	-	50,000	50,000	-	-	-	-
Improvements to gateways	-	3,639	3,639	-	-	-	-
Contingency	-	-	622,674	-	-	-	-
<b>Total</b>	<b>6,150,000</b>	<b>1,723,160</b>	<b>7,964,334</b>	<b>205,500</b>	<b>201,500</b>	<b>89,500</b>	<b>35,000</b>
<b>Total Allocated to Projects</b>		<b>7,873,160</b>					

Funding Sources	£	Estimate 15/16 £	Estimate 16/17 £	Estimate 17/18 £	Estimate 18/19 £	Estimate 19/20 £
Balance Brought Fwd	2,996,764	2,996,764	531,500	1,326,000	1,124,500	1,035,000
Special projects reserve *	1,999,070	999,070	1,000,000	-	-	-
Prudential Borrowing	4,500,000	4,500,000	-	-	-	-
Project Spend	- 8,495,834	- 7,964,334	- 205,500	- 201,500	- 89,500	- 35,000
<b>Balance</b>	<b>1,000,000</b>	<b>531,500</b>	<b>1,326,000</b>	<b>1,124,500</b>	<b>1,035,000</b>	<b>1,000,000</b>

\*£1m resources in 2016/17 relates to capital receipts from land sales

# Selby District Council

## REPORT

Reference: E/15/12

Item 7 - Public



**To:** The Executive  
**Date:** 3 September 2015  
**Status:** Key Decision  
**Report Published:** 25 August 2015  
**Author:** Karen Iveson – Executive Director (s151)  
**Executive Member:** Councillor C Lunn – Lead Member for Finance & Resources  
**Lead Officer:** Karen Iveson – Executive Director (s151)

**Title:** Renewable Energy Feasibility

### Summary:

This report presents the findings of a feasibility study on the potential for renewable energy projects as part of the Council's Programme for Growth and its approved savings plan.

The study has been carried out by the Association of Public Service Excellence (APSE) which, through their specialist energy arm, is supporting a number of local authorities across the country.

The study considered a range of options but identified solar power to be the most feasible for Selby District Council.

A ground mounted solar farm with up to 5 MW of generation capacity is achievable, subject to a suitable site, grid connection, funding and planning permission.

The timing is a critical factor in the implementation of a ground mounted scheme. This is because the subsidy system for these types of scheme is expected to change from March 2016 and to take advantage of the current subsidy arrangements the council must have a scheme delivered before April next year. This timescale is extremely challenging but is potentially achievable if the process runs smoothly.

The recently acquired land at Burn Airfield appears to be suitable for



such a development but further investigations will be required as well as consultation with local stakeholders, and a detailed business case will need to be produced and considered.

The Council could also use solar panels on its building assets (council homes, leisure centres and civic assets for example). Again further detailed work will be needed if the Council wish to take a scheme forward. The timescales for this type of scheme are not as critical, although subsidy is likely to continue to reduce over time.

### **Recommendations:**

#### **It is recommended that:**

- i) A detailed business case is prepared for a ground mounted 5MW solar farm on the site at Burn Airfield, with a report back to the Executive in October/November;**
- ii) Consultation commences with local stakeholders;**
- iii) A planning application is submitted at risk, as soon as reasonably practicable with the cost (subject to quotes and virement limits) met from the Programme for Growth Contingency;**
- iv) A report is submitted at a later date on the detailed business case for a building based scheme(s).**

### **Reasons for recommendations**

To enable the Council to deliver a solar power scheme in accordance with the aspirations of the Programme for Growth, and to take advantage of the current subsidy arrangements that are available to deliver the approved savings target of £150k p.a.

## **1. Introduction and background**

- 1.1 As part of the Programme for Growth and approved savings plan, a feasibility study of the potential for a renewable energy scheme(s) has been commissioned from the Association of Public Service Excellence's specialist energy arm - APSE Energy.
- 1.2 The report considers a number of options (including wind and biomass) but quickly concludes that solar power is the most suitable for the Council to pursue at this present time.
- 1.3 Schemes to generate energy through Solar Photo Voltaic (PV) panels are the easiest and quickest to complete. Solar PV is tried and tested in the UK and the number of public sector schemes is growing – notable examples include Cornwall, Telford and Wrekin and Wrexham Councils.

- 1.4 Such schemes are based on a generic financial model of £5m investment for a 5 megawatt (MW) facility, which will generate approximately £500k income per annum and payback in less than 10 years – although the financial case is subject to specific key costs (grid connection being the most variable) and prevailing subsidies. The operational lifetime of a 5MW scheme is 25/30 years.
- 1.5 Subject to the type of scheme(s) ultimately delivered there are a number of options for the energy generated – in simple terms it can be used by the occupants on site(s) (if any) and/or it can be sold e.g. to the National Grid – either reducing the cost of energy directly consumed by the Council and/or its tenants and/or providing an income stream.

## **2. The Report**

- 2.1 There are two major types of solar PV deployment – land based and buildings based - which can provide a variety of benefits:
- Income generation – to reinvest or support front line services
  - Economic benefits – to achieve job creation and a boost to the local supply chain
  - Efficiency and effectiveness – improved value for money and secure lower priced energy
  - Energy security – to support climate change targets
  - Community leadership – help to support sustainable communities

### Land based schemes

- 2.2 A land based scheme usually involves solar panels being ground mounted on either low grade agricultural land or brownfield sites. The panels are fitted in long rows, with wiring connecting them together and leading to inverter cabinets, before being connected to the National grid via a substation. In agricultural settings, commonly pasture grazing or nature conservation continues to take place beneath the panel frames.
- 2.3 The Council has relatively limited land holdings suitable for a solar PV facility – the feasibility study considered the sites at Burn Airfield and Bondgate Selby.
- 2.4 Of the two sites, the land at Burn Airfield has the most potential – around 30 acres of the 482 acre site (6% of the site) could be used for a 5MW solar farm and initial indications by the Distribution network Operator (DNO) – Northern Power Grid suggest that a grid connection is possible, but a firm estimate of cost is needed.

- 2.5 The site at Bondgate could provide a smaller facility but given the proximity to residents and the potential for alternative development this site is not recommended at this time.

### Building based schemes

- 2.6 The report considered a number of building based assets on which to install PV panels – including Laurie Backhouse Court, the leisure centres in Selby and Tadcaster, industrial units at Sherburn and the Council's housing estates in Selby and Tadcaster.
- 2.7 These schemes would be significantly smaller than a land based scheme. Some of the sites show more potential than others and these would be worth exploring in more detail.

## **3. Legal/Financial Controls and other Policy matters**

### **3.1 Legal Issues**

- 3.1.1 The legal issues concerned with the development of solar power schemes are very much dependent upon the circumstances of the individual schemes. Legal advice will be sought as part of the work on the detailed business cases.
- 3.1.2 Schemes involving assets (land or buildings) which are let or leased to tenants will require their agreement and it will be important to begin consultation with affected tenants at an early stage.
- 3.1.3 The procurement of schemes is likely to fall under EU procurement rules and a number of compliant framework contracts for building based schemes are available. Procurement of a framework contract for land based schemes is currently in progress (led by Northumberland County Council) and should be available later this calendar year.

### **3.2 Financial Issues**

- 3.2.1 The development of a 5MW land based solar farm is estimated to cost between £4m and £5m in capital outlay (smaller buildings based schemes will cost considerably less than this). The financial modelling for a scheme assumes financing from Public Works Loans Board borrowing although in all likelihood, should a scheme be recommended to go forward, internal borrowing would be used.
- 3.2.2 The on-going costs and income associated with a scheme are maintenance, Business Rates and insurance costs along with financial incentive payments from the Government (FIT<sup>1</sup> or ROC<sup>2</sup>) and income from the export of electricity to the grid.

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<sup>1</sup> Feed in tariff

- 3.2.3 Detailed financial modelling of the scheme specific costs and income would be undertaken as part of the detailed business case but typically a ground based solar farm could generate an Internal Rate of Return of between 6% and 8%.
- 3.2.4 The subsidy available for ground based schemes is expected to change from March 2016 following the Government's consultation on a number of changes. It is anticipated that ROC will no longer apply to schemes of 5MW and below (subsidy was removed from schemes above 5MW from 31 March 2015), which means delivery of a scheme before 31 March 2016 would provide a more favourable return and consequently necessitates a degree of urgency. Details of the changes are expected to be announced in September/October and will be factored into any detailed business case that is brought forward.
- 3.2.5 Subsidy (FIT) for building based schemes is expected to continue into 2016/17 so there is not the same urgency for these types of scheme although subsidies are reducing.
- 3.2.6 Whilst the subsidy picture is changing, 'grid parity' is anticipated within the next 2 to 3 years which means that if a land based scheme cannot be delivered by 31 March 2016, if planning permission can be obtained the scheme could be deferred to a later date until such time as subsidy is no longer required to make the scheme financially attractive.

### **3.3 Other Policy Matters**

- 3.3.1 Planning permission for a scheme(s) will be required and given the challenging timescales for a potential land based scheme it is proposed that external support is engaged to prepare an application for a 5MW scheme at Burn Airfield.
- 3.3.2 Quotes will be obtained and subject to these being within virement limits and contained within the Programme for Growth contingency, a planning application will be submitted at risk, pending the decision on the detailed business case.
- 3.3.3 The ultimate success of a scheme is also dependent on engagement with local people and therefore it is proposed that consultation on potential schemes begins as soon as possible.

## **4. Conclusion**

- 4.1 The Council has a number of land and buildings assets that are suitable for solar PV schemes.
- 4.2 The changing subsidy picture means that there is some urgency to

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<sup>2</sup> Renewable Obligation Credit

progressing a land based scheme in order to take advantage of more favourable subsidy levels.

- 4.3 The land at Burn Airfield is considered suitable for a land based scheme but further work to understand the site specific costs and prepare a detailed business case, consult local people and prepare and submit a planning application is needed
- 4.4 Further work is also required on buildings based schemes and work will continue to bring forward more detailed proposals and business cases.

## **5. Background Documents**

APSE Energy Report on Renewable Energy Opportunities

## **Appendices**

None

## **Contact Details**

Karen Iveson  
Executive Director (s151)  
[kiveson@selby.gov.uk](mailto:kiveson@selby.gov.uk)

# REPORT

Reference: E/15/13

Item 8 - Public



**To:** The Executive  
**Date:** 3<sup>rd</sup> September 2015  
**Status:** Non Key Decision  
**Report Published:** 25 August 2015  
**Author:** Sarah Thompson, Lead Officer - Housing  
**Executive Member:** Councillor David Peart  
**Lead Officer:** Karen Iveson, Executive Director (s151)

**Title:** A review of temporary accommodation requirements

## Summary:

This report reviews the current temporary accommodation provision at Edgerton Lodge and Ousegate Lodge and looks at options for future provision for the service as part of a wider review of the council's assets. The report considers the current demand for the service, legal and regulatory requirements and alternative delivery options. It concludes that demand for accommodation at Edgerton Lodge cannot sustain this facility and identifies that dispersed temporary accommodation is more suitable to cope with changing demand and consequently is more cost effective.

## Recommendations:

It is recommended that the Executive:

- i. **Approves the decommissioning of the use of Edgerton Lodge as temporary accommodation.**
- ii. **Approves the future use of dispersed temporary accommodation.**

## Reasons for recommendation

The Housing Options team aim to prevent homelessness and by preventing homelessness they have successfully reduced the demand for temporary accommodation. The occupancy levels at Edgerton Lodge have remained low now for some time and therefore the recommendation is to decommission Edgerton Lodge for use as temporary accommodation and instead supplement the use of

Ousegate Lodge with dispersed accommodation using our own housing stock. Dispersed accommodation will allow the service to be flexible when responding to changing demands, both with the accommodation location but also with the number of units required.

## **1. Introduction and background**

- 1.1 This review of the temporary accommodation forms part of the wider Asset Management Strategy. The accommodation has been used in this way for some time and therefore the review is an opportunity to look at how well the asset is utilised but in addition at what the service needs to meet future demand.

## **2. The Report**

### **2.1 Current Position**

Selby District Council (SDC) currently has two hostels, which are used by the housing options service to accommodate customers. One hostel is located in Selby town centre, Ousegate Lodge, and the other in Tadcaster, Edgerton Lodge.

#### **2.1.1 Ousegate Lodge**

Ousegate Lodge is made up for 10 self-contained units with varying rental charges. In October 2011, Selby District Council entered into a countywide partnership with other local authorities, North Yorkshire Supporting People and Children and Young Peoples Service to ensure that all 16-25 who present as homeless or are identified at risk of homelessness are dealt with consistent and comprehensive approach to achieve positive outcomes and enable independent living. As a result, Selby now use three out of the ten available units at Ousegate as move on accommodation as a stepping stone between supported housing and independent living. The accommodation is solely for young people, 25 or under, who are threatened with homelessness. During 2014/15 the three Pathway units at Ousegate have had occupancy levels of 88% and the service is in high demand. Working in this way has reduced the number of general needs units at Ousegate from 10 to 7 and in turn reduced the overall general number available at both hostels from 20 to 17 units but the success of the scheme has resulted in reduced homelessness and reduced repeat homelessness for this group. The use of the accommodation remains flexible and should demand for temporary accommodation rise than alternative accommodation can be sourced for the Young Persons service.

#### **2.1.2 Edgerton Lodge**

Edgerton Lodge consists of 10 self-contained units and an additional unit that remains empty but was previously used as warden accommodation. The hostel is split between a main secure building entry, which holds the 6

units, wardens flat and a laundry room and 4 separate units, commonly known as the 'stable block'.

### 2.1.3 Occupancy Levels

The occupancy levels for both hostels (not including the Young Person Pathway Units) have dramatically reduced due to the large amount of prevention work that has been displayed by the housing options team and other partnering agencies. The occupancy rates for the last two financial years are as:-

Year	Ousegate Lodge	Edgerton Lodge
2013/14	84.25%	39.75%
2014/15	66.5%	34.75%

### 2.1.4 Demand

At times of highest demand a maximum of 12 units have been required suggesting 5 are always surplus to our requirements. Low occupancy levels mean that the assets are not working to their full potential. Analysis confirms that there is a need for temporary accommodation to remain in Selby town centre, with around 70% of demand coming either directly from within the town or from villages immediately adjacent. To a lesser degree, there is also evidence that there is demand from the West and North of the district, the area currently being served by Edgerton Lodge, with 20% of customers coming from the Sherburn and Tadcaster areas.

## 2.2 **Future Demand**

The predicted impact of Welfare Reform has to date, been partially negated by the Housing Options work to prevent homelessness. Currently 1-bed accommodation is in highest demand in terms of temporary accommodation, as fits the current stock profile, but there is demonstrable need for larger accommodation, in particular 2-beds to meet the needs of the 33% of households who enter the service. It is difficult to predict future demand on the Housing Options service but it is likely, considering the significant changes currently being implemented by the Government, including the introduction of Universal Credit, reductions in the Benefit Cap and the proposed removal of Housing Benefit for 18-21 year olds, that demand will not reduce and it is important therefore that whatever is proposed for the Hostel Accommodation that some degree of flexibility remains

## 3. **Options for delivery**

### 3.1 **Continue to use Ousegate Lodge, decommission the use of Edgerton Lodge but retain the use of the units in the stable block**

Demand for temporary accommodation remains highest in Selby and



Ousegate is successful at supporting the Young Persons Pathway. If Ousegate was retained the service demands would require approximately 4- 5 units of alternative accommodation in the Tadcaster/Sherburn area to meet demand and specifically demand from that part of the district. There are 4 units in the Stable Block at Edgerton including 1 x family unit and 3 x single units. This would allow us to meet demand, the block is already established and the costs would reduce significantly by limiting the use to this area. If the stable block was to remain available for temporary accommodation it may impact on the potential re-development of the site. This option would reduce the capacity to four units and therefore the costs would reduce proportionately.

### **3.2 Continue to use Ousegate Lodge, decommission the use of Edgerton Lodge entirely and supplement the Hostel accommodation with accommodation in dispersed units across the district**

Dispersed accommodation could be used to supplement Ousegate Lodge and the accommodation used could be local authority owned or in the private sector. One option would be to look at our own available stock each time there is a homelessness presentation but that would conflict with the desire to keep stock occupied and the choice based letting scheme. Much of the available stock will already be under notice and being advertised and for that reason stock would need to be allocated for only this use. The properties would be used in the same manner as they were intended but just for shorter periods – any used would need to be furnished the same way as a unit in the hostel would be and customers would still only stay temporarily, any duty would be discharged as happens now into suitable long term accommodation. Dispersed accommodation allows for flexibility over areas and size and also allows for responding quickly to changing demand if there is a need to increase available accommodation (or decrease) whilst retaining the stability of Ousegate Lodge. Dispersed accommodation is different to Hostel accommodation in terms of tenancy protection and in some cases Court action maybe required if the property is not vacated at the end of a notice period. Any eviction from hostel accommodation or from a domestic dwelling should be proportionate and it can be challenged.

### **3.3 Build new purpose built accommodation replacing both Ousegate and Edgerton Lodges**

Purpose built accommodation would mean that Selby District Council can develop modern units that meet the needs of its customers now and in the future. One purpose built unit would allow for development suitable for the needs of the service but relying on one Hostel would limit flexibility and not support the desire to be responsive to changing demands. A new site would need to be identified, funding sourced and planning permission sought. It is difficult to predict the financial cost of this option, although there would be an opportunity to redevelop both Edgerton and Ousegate Lodge a large capital investment would be required and then an on-going annual maintenance cost. There is still the risk of rent loss through empty units and there is limited flexibility to respond to demand.

Appendix 1 includes a table highlighting the advantages of the options available and a table highlighting the disadvantages of the options available.

Both tables demonstrate that there are a clear number of cross overs on the advantages and disadvantages of each option. The table demonstrates that with each option there are advantages and disadvantages and a lot of them are the same on each option. All options require furnishing the same way Edgerton Lodge does now, all options have the potential to impact on the general needs list and each option has the potential of lost rental income when the units are stood empty.

The preferred option is dispersed accommodation – fewer units are likely to be stood empty, it is flexible enough to meet the demands for the service from across the district and if demand increases extra units can be quickly added to the portfolio. Using our own accommodation to start with we can be confident of its safety and its suitability.

## **4. Legal and Financial Issues**

### **4.1 Legal Issues**

- 4.1.1 Under the Housing Act 1996, Part VII, the council has a statutory duty to provide any person/s that apply to the authority as homeless and is found to be eligible, homeless and are in a priority need category, suitable temporary accommodation. Under S188 of the same act, the council is also required to provide interim accommodation where there is reason to believe that the applicant may be homeless, eligible and in priority need, pending a decision on an application. In addition there is a duty to provide temporary accommodation for those who are intentionally homeless and in priority need for a “reasonable period” to give them the opportunity to secure accommodation.
- 4.1.2 Local authorities are also obliged to have regard to the Homeless Code of Guidance for Local Authorities. The Guidance notes that the use of bed and breakfast accommodation should be avoided where possible and that, where bed and breakfast are used in emergency situations, applicants should be moved on to more suitable accommodation at the first opportunity. It is recognised through guidance and legislation that B&B is particularly unsuitable for accommodating 16 or 17 year olds who need support, families with children or households with a pregnant woman unless there is no alternative accommodation available. In 2013 Government called for councils to reduce the number of families in B&Bs.
- 4.1.3 The temporary accommodation should be where possible within the local authority’s district & should always be affordable to the applicant. The accommodation should have basic household furniture for applicants including cooking equipment & bedding provided.

4.1.4 Before changing the type of accommodation used a full review of the current licence agreements would be needed to ensure that they were suitable and up to date with current case law.

## **4.2 Financial Issues**

4.2.1 Spend at both hostels is high. When the Hostels are occupied the residents have a combined charge to pay for heating and lighting and are also liable for council tax. When the units are unoccupied SDC are liable for the Council Tax and rental and service charge income reduces. Supporting People still offer financial support but this funding continues to reduce.

4.2.2 As the occupancy levels at Edgerton Lodge have been particularly low the financial impact has been particularly high, as costs continue to rise yet income is reducing. [Appendix 2](#) details the costs associated with Edgerton Lodge. The Costs of running Edgerton Lodge have increased and are expected to increase again in 2015/2016. The income received over the last two financial years has also decreased and again, is expected to decrease further in 2015/16. Supporting People funding is likely to reduce again in 2016/17 and is not guaranteed to continue. As Housing Options continue to prevent homelessness the aim is not to maximise use of the accommodation and therefore whilst we continue to try to reduce use it is not financially sustainable to continue to keep Edgerton Lodge available for this use.

4.2.3 Moving to dispersed accommodation would reduce a number of costs. By using individual properties from our housing stock there would be a reduction in units held for this purpose therefore if they were empty the liability for any council tax or the utilities would reduce proportionately. As the properties used would already have buildings insurance there would be no requirement for any additional insurance. Rental income is predicted to remain stable but the Supporting People funding would not be expected to continue in dispersed accommodation. [Appendix 3](#) estimates the costs of dispersed accommodation and shows the net cost of £5,158 and therefore saving £13,744 in 2016/17.

## **5. Conclusion**

5.1 It is not sustainable or cost effective to continue to use Edgerton Lodge for the purpose of Temporary Accommodation. The review of the service requirements evidence that a high number of units at Edgerton Lodge are continuously remaining empty and there is a desire to continue to reduce the time spent in temporary accommodation so this position is set to remain. The alternative options have been considered and of all the options available dispersed accommodation is preferred because it allows the location and the size of the property to be flexible and there is the opportunity to increase or decrease the properties available when responding to changing demand.

5.2 It is recommended that the service would continue to have access to Edgerton Lodge until the end of 2015/2016 allowing reasonable time to source new accommodation. This would allow a period of time to identify the

type and location of the new dispersed temporary accommodation which to start with is recommended to be from within our own stock.

**Contact Officer:**

Sarah Thompson (sthompson@selby.gov.uk)  
Lead Officer -Housing  
Selby District Council

## Appendix 1

Table 1: Advantages of the Options available

	Ousegate + use just the Stable Block at Edgerton	Ousegate + use dispersed accommodation	Decommission both hostels and replace with purpose built accommodation
Meets demand across district	x	x	x
Based in a Neighbourhood environment to promote sustainable tenancies		x	
Reduced Management Costs	x	x	x
Property available and ready for use	x	x	
Flexibility in number of units and location		x	
Established Location	x		

Table 2: Disadvantages of the Options available

	Ousegate + use just the Stable Block at Edgerton	Ousegate + use dispersed accommodation	Decommission both hostels and replace with purpose built accommodation
Income lost when accommodation units are empty	x	x	x
Can impact on General needs waiting list	x	x	x
Political/Public opposition likely to be high			x
Properties would require furnishing	x	x	x
Risk of ASB High	x		x
Choice of location limited	x		x
No opportunity to expand quickly if demand increases	x		x
Could restrict development opportunities	x		
Notice to Quit and Court action may be required to gain possession		x	

## Edgerton Lodge income and expenditure

### Appendix 2

	<b>Council Tax charges</b>	<b>Electricity &amp; Gas (less income)</b>	<b>Repairs, Maintenance, Cleaning and Telephone</b>	<b>Fixtures &amp; Fittings R&amp;M</b>	<b>Water</b>	<b>General Insurance</b>	<b>Rental Income</b>	<b>Supporting People funding</b>	<b>Actual Total Net Cost</b>
2015/16 Budget	£7,360	£10,890	£12,830	£1,000	£2,080	£8,250	-£15,380	-£8,130	<b>£18,900</b>
2014/15 Actual	£9,408	£8,611	£10,050	£845	£1,499	£7,268	-£15,681	-£11,723	<b>£10,277</b>
2013/14 Actual	£7,315	£1,928	£10,765	£479	£852	£6,695	-£15,910	-£10,426	<b>£1,698</b>

### Appendix 3

	<b>Council Tax charges</b>	<b>Electricity &amp; Gas (less income)</b>	<b>Repairs, Maintenance, Cleaning and Telephone</b>	<b>Fixtures &amp; Fittings R&amp;M</b>	<b>Water</b>	<b>General Insurance</b>	<b>Rental Income</b>	<b>Supporting People funding</b>	<b>Actual Total Net Cost</b>
2016/17	£3,680	£5,445	£9,623	£750	£1,040	-	<b>£15,380</b>	-	<b>£5,158</b>

# Selby District Council

## REPORT

Reference: E/15/14

Item 9 - Public



**To:** The Executive  
**Date:** 3 September 2015  
**Status:** Non-key decision  
**Report Published:** 25 August 2015  
**Author:** Sally Rawlings  
**Executive Member:** Cllr Dave Peart  
**Lead Officer:** Karen Iveson

**Title:** Housing Development Strategy Phase 2 update

### Summary:

Following the approval of sites to be included in phase 2 of the delivery of the housing development strategy in December 2014, further work has been undertaken on the viability of sites and as a result, some changes to the approved phase 2 are sought.

### Recommendation:

- i. **The revised phase 2 programme is approved as detailed in paragraph 4.3 below;**

### Reasons for recommendations

- To enable the target of 40 homes for intermediate rent to be achieved in phase 2
- To ensure clarity about the delivery targets for phase 2

## **1 Introduction and background**

- 1.1 The delivery of the Housing Development Strategy is already underway, with the first pilot scheme at 43, Kirkgate, Tadcaster having been completed by SDHT and the second pilot scheme being under construction at St Joseph's Street, Tadcaster – also by SDHT.
- 1.2 The community consultation on the Phase 1 schemes at Eggborough, Byram and Riccall is complete and the designs for the three HRA schemes (East Acres, Byram and sites 1 & 2 at Eggborough) have been developed ready for the next consultation prior to submitting a planning application. The Riccall scheme is being developed by SDHT.
- 1.3 The December report outlined an over-capacity of 25% to cover any eventuality that viability might prove difficult, however this has not been enough to cover delays in identified phase 2 schemes as well.
- 1.4 The phasing approved in December 2014 is shown in Appendix A

## **2 The Report**

- 2.1 Of the general needs units identified above, two sites (Womersley and South Milford) have dropped out of the programme, one site (redevelopment of Byram Park Road flats) has been reallocated from phase 2 to phase 3, and a further site (Hambleton) is due to be developed for general needs housing only.
- 2.2 The site at Womersley is not viable to develop due to the very low needs in Womersley and high void and turnover currently experienced by council owned properties in that village. Consequently it is felt that this site is not viable for this programme – and its use should be reviewed. It had been hoped to develop 6 units on this site.
- 2.3 Of the vulnerable persons units which are due to be developed through the HRA, the site at South Milford has been discounted due to its extremely restricted nature and the lack of compliance with planning requirements. It was originally considered that two units could have been developed on this site.
- 2.4 The site at Hambleton is proposed to be developed for general needs only due to the updated needs analysis for the village which shows a much greater need for general needs housing. It was originally considered that two vulnerable persons units could have been developed on this site.
- 2.5 The original report estimated that there would be a 25% 'drop out' rate of sites across the programme and this was allowed for in the total number proposed in that report.



- 2.6 The redevelopment of Byram Park Road flats is likely to fall into phase 3 or later as it will take longer than originally expected for the process of moving the existing tenants into new homes. If all of the tenants are found suitable alternative accommodation within the revised timescale, and the demolition contract is tendered during the process, then it is possible that this site will move into phase 3. It is expected that a total of 16 units could be developed on this site.
- 2.7 As a result, it is proposed to bring forward additional sites in Burton Salmon (general needs) and Burn (combined general and vulnerable needs) from phase 3 in order for the number of target units to be achieved.
- 2.8 An alternative option would be to accept a longer delivery period for the programme and reduce the target number of units for this phase.
- 2.9 Both Burn and Burton Salmon fall within the Southern area of the District (as identified in the December report).
- 2.10 Sites in other areas of the District were also considered to be brought forward from phase 3, but the majority of them need longer 'lead in' times due to the more complex nature of the sites especially for planning reasons.

### **3 Legal/Financial Controls and other Policy matters**

#### **Legal matters**

- 3.1 Title searches still have to be commissioned and the results may impact on the numbers of units which can be achieved on these two additional sites. However, if the recommendation of this report is approved then these will be undertaken swiftly so that outline business cases can be prepared in time to be submitted to the Executive in October with those of the approved phase 2 sites.

#### **Financial matters**

- 3.2 The financial issues outlined in the December report are still valid, although the HCA have stated that they would be willing to consider bids for funding from HRA schemes. This is currently being explored, and will form part of any detailed business case to be presented to Executive.

#### **Risk management**

- 3.3 The risks outlined in the December 2014 report are still valid, and there are no additional risks to add at this stage

## 4 Conclusion

- 4.1 A total of six general needs units and four vulnerable persons units are to be dropped from the programme as a result of losing the sites at Womersley, South Milford and the lack of need in Hambleton. This is 25% of the total expected to be developed in this phase.
- 4.2 A total of 16 units (mix between general needs and vulnerable persons units to be determined) are to be deferred into phase 3 or later (redevelopment of Byram Park Road Flats).
- 4.3 Consequently it is proposed that the following sites are developed in phase 2 of the programme:

Location	Vulnerable Persons units	General Needs units	Total
Camblesforth	2	2	4
Hambleton		4	4
Sherburn	8		8
Tadcaster	7	3	10
Ulleskelf		2	2
Burn	3	5	8
Burton Salmon		4	4
<b>Total</b>	<b>20</b>	<b>20</b>	<b>40</b>

- 4.4 There are two possible options arising out of this report – either to bring forward two sites from Phase 3 on the basis that the number of units on those sites will be matched by those deferred to that phase; or to reduce the number of units to be developed in phase 2 by 12 in total and increase the target to be delivered in phase 3 by 12 units..

## 5 Background Documents

The following documents provide background to this proposal:

- Selby District Council Housing Development Strategy - report to Council – 10 September 2013 (pp 115 – 122) <http://www.selby.gov.uk/all-committee-meetings/72?page=2>
- Selby District Council Housing Development Sites - report to Council – 10 September 2013 (pp 84 – 114) <http://www.selby.gov.uk/all-committee-meetings/72?page=2>
- Housing Development Strategy Phase 1 progress report – report to Executive - 5 June 2014 (pp 6 – 10) <http://www.selby.gov.uk/all-committee-meetings/71?page=2>
- Housing Development Strategy Phase 2 Progress Report (pp 79 – 86) [http://www.selby.gov.uk/sites/default/files/Documents/Committees/Agendas/Executive\\_Agenda\\_4.12.14\\_PUBLICV2.pdf](http://www.selby.gov.uk/sites/default/files/Documents/Committees/Agendas/Executive_Agenda_4.12.14_PUBLICV2.pdf)

Contact Officer:

Sally Rawlings  
Housing Development Manager  
Selby District Council  
[srawlings@selby.gov.uk](mailto:srawlings@selby.gov.uk)  
01757 292237

## Appendices

**Appendix A - Original phasing plan (as approved at Executive on December 2014)**

**Appendix A**

**Original phasing plan (as approved at Executive on December 2014)**

<b>2013/14</b>	<b>Year 1 2014/15</b>	<b>Year 2 2015/16</b>	<b>Year 3 2016/17</b>	<b>Year 4 2017/18</b>	<b>Year 5 2018/19</b>	<b>Year 6 2019/20</b>	<b>Total</b>
Preparation	6	25	25	25	25	0	106
Starts	<u>Affordable</u> 5  <u>Market</u> 1	<u>Affordable</u> 16  <u>Market</u> 2	<u>Affordable</u> 16  Phase 2 Mix - unknown	<u>Phase 3</u>	<u>Phase 4</u>		
Completions	3 Affordable	2 Affordable 1 Market Units	16 Affordable 2 Market Units	Phase 2 - 40 units (mix unknown)	Phase 3 30 units (mix unknown)	Phase 4 30 units (mix unknown)	126 Aiming for 106 affordable units.
	Tadcaster Pilots  <b>General Needs (5)</b>  <b>Market Units (1)</b>	<b>General Needs (3)</b> Riccall  <b>Market Units (2)</b> Riccall  <b>Vulnerable Persons Units (13)</b> Eggborough Byram	<b>General Needs/ Market Units (20)</b> Byram Camblesforth Tadcaster Ulleskelf Womersley  <b>Vulnerable Persons Units (20)</b> Hambleton Sherburn South Milford	<b>General Needs/ Market Units (26)</b> Barlow Burn Burton Salmon Chapel Haddlesey Kellington Sherburn – non HRA  <b>Vulnerable Persons Units (4)</b> Burn Whitley	<b>General Needs/ Market Units (15)</b> Barlby Selby Thorpe Willoughby  <b>Vulnerable Persons Units (15)</b> Barlby Brayton Selby Thorpe Willoughby		

# Selby District Council

## REPORT

Reference: E/15/15

Item 10 - Public



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<b>To:</b>	<b>The Executive</b>
<b>Date:</b>	<b>3<sup>rd</sup> September 2015</b>
<b>Status:</b>	<b>Key decision</b>
<b>Report Published:</b>	<b>25 August 2015</b>
<b>Author:</b>	<b>Ameena Mughal, Customer and Community Project Manager</b>
<b>Executive Member:</b>	<b>Chris Metcalfe</b>
<b>Lead Officer:</b>	<b>Rose Norris</b>

**Title:** Customer Strategy

### **Summary:**

Selby District Council and North Yorkshire County Council are working together in a partnership called Better Together which is about seamless delivery in front-line services within the Selby district and supporting better outcomes for our communities. We want to support self-sufficient customers and resilient communities who are less reliant on public sector intervention and better placed to deliver for themselves. The two councils serve the same customers in the Selby District and we want our customers to experience a seamless service from both organisations.

The vision is that in 5 years' time the way in which Selby District Council will transact with customers will primarily be online. We will do this by supporting our customers to access information and services, promoting self-resilience and enabling people to take further responsibility in supporting their communities.

Many agreed with the convenience of transacting online especially for those who work and were unable to access the council services throughout the day. However, it was mentioned that facilities and opening hours to access online services would need to be improved, through libraries and the contact centre as well as to have better internet connection across the district.

The consultation did recognise that Selby does have customers who will always need telephone and face to face provisions. Having consulted with customers who are quite reliant on support, they still liked the idea of having services online. It was

more important to them that they received a good customer service. The blended approach to having services online as well as face to face and telephone provision was well received. The notion of having face to face provision being provided through a hub facility in a library was well liked.

### **Recommendations:**

- i. To note the feedback and responses to the draft Customer Strategy**
- ii. To adopt the Customer Strategy from October 1st 2015**

### **Reasons for recommendation**

The Executive is asked to agree the recommendation to enable the customer strategy to be finalised. Minimal edits have to be made to the draft Customer Strategy which has been highlighted through the consultation. There is a common consensus to move more services online but still ensure that there is still the face to face and telephone access.

The edits which have been made to Customer Strategy are listed below:

- i. SDC's current level of online contact was changed from 10% to 3.5%
- ii. Targeted communication and marketing –focused on customer needs and interests and design to drive down demand for traditional services has been changed to '*promoting and communicating services which are focused on customer needs and interests.*'
- iii. There has been more emphasis made on the language barrier for the Adrianna persona and we will provide a polish translation.

## **1. Introduction and background**

1.1 The Customer Strategy is a key document for the Council and sets out the ways the Council will adapt to the challenges it faces and what customers can expect from a forward thinking and innovative council. The Customer Strategy should not be viewed in isolation; it is closely linked to and has a dependency on other work taking place across the Council, especially through the Better Together programme.

1.2 The draft Customer Strategy, the subject of the consultation, was developed by talking to and taking into account the views of customers, staff and partners to ensure that the Strategy was not developed in a vacuum and that it had a basis in reality. An Equality Impact Assessment was prepared to accompany the Strategy

1.3 The purpose of the consultation was to engage people who live, work or study in Selby district in understanding and providing feedback on the proposed Customer Strategy. The public consultation took place over a period of 11 weeks (18th May 2015 – 7th August 2015) and its purpose was to ascertain public opinion on the new ways of working as outlined in the Strategy.

## **2. The Report**

- 2.1** The consultation highlighted that an improved customer experience, is having a more seamless delivery of services as well as a resolution at the first point of contact. It was important to have personal touch and many liked the idea of a web chat facility.
- 2.2** Most customers agreed that online services are more convenient as there is 24/7 access available. However, many do feel that there is a lack of information or it is difficult to find information on the website. This results into an increase in customers contacting the council via telephone. Therefore, information presented through online methods must be clear and suffice and any online services must be east to navigate.
- 2.3** Many saw accessibility as one of the biggest challenges they viewed it as crucial in delivering the strategy as some customers were acknowledged as being unable to move to online services. The consultation illustrated that there are those who struggle with their reading and writing, who do not often like to ask for help and the council should ensure that services are still available for them.
- 2.4** The consultation highlighted that there are some key individuals that do want to take on further responsibility; many of them are not clear on how they can do this. Many people commented that communication was key and suggested using the advocates that already exist within the community to bring people on board. It was agreed that customers do want to be involved in the process especially when designing services.
- 2.5** The full report provides details the extent to which customers agreed or disagreed with the new ways of working and the suggestions put forward.

## **3. Legal/Financial Controls and other Policy matters**

### **Legal Issues**

- 3.1** As part of the wider Better Together programme legal advice was sought.

### **Financial Issues**

- 3.2** As part of the wider Better Together programme financial advice was sought.

### **Equality Impact Assessment**

- 3.3** The Customer Strategy underpins the council's Better Together programme which is a collaboration with North Yorkshire County Council. This

assessment of Equality Impact has been made at an early stage in the development of the Customer Strategy as a basis for further work. It should therefore be noted that this is a dynamic assessment of the vision and principles of the strategy which will continue to be refined as further work is undertaken. Impact on equality will be considered throughout implementing strategy.

A summary of the impact and how they have been mitigated are listed below:

Impact	Mitigation
In regards to moving more services online, there could be a negative impact on older people as many lack the facilities to access online service or do not have the skills and the knowledge to use technology	Digital champion will be able to help and guide those that are older who may not be IT literate. This will positively impact the communities as it will reduce isolation and loneliness.
The idea of having community hubs/networks through libraries and other suitable buildings may have a negative impact if the building is not fit for purpose depending on the disability.	Moving forward, the idea of having community hubs/networks through libraries and other suitable buildings to provide face to face contact was well received and will reduce isolation. It is important that those who have disabilities are involved in the design process, which will ensure it will be fit for purpose.
Moving more services online will offer a different channel and therefore in a sense may positively impact those from a different ethnic background whose first language is not English for example.	This may only be feasible on the basis that an online translation services is available, for example web chat in the customer's own language as we now use language line which works over the telephone.

A full Equality Impact Assessment has been undertaken please find the attached for further detail.

#### 4. Conclusion

4.1 To summarise the consultation has shown that most do agree with providing services online, however there is still that appreciation that not everyone will have the ability or access to use service online and therefore provisions must be put in place. The strategy retains the safety net of face to face contact but using a different channel such as a hub/network which will potentially have a positive impact as services offered will be more inclusive and available in a more informal and approachable environment. Therefore, we are providing accessibility and choice which is important to the customer.

4.2 The consultation illustrated the council must ensure that the channels are working effectively and efficient. Communication has been highlighted as important; communities want to be involved in designing the service.



## **5. Background Documents**

Post Consultation Report

- Includes a list of parties that have been consulted

Equality Impact Assessment

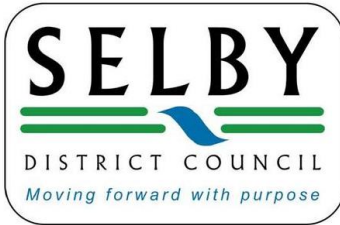
Final version of Customer Strategy

*Contact Officer:*

Ameena Mughal  
Customer and Community Project Manager  
Selby District Council  
amughal@selby.gov.uk

### **Appendices:**

Customer Strategy  
Customer Strategy; Post Consultation Report  
SDC Equality Impact Assessment Screening



# **SELBY DISTRICT CUSTOMER STRATEGY 2015-2019**



## **Introduction**

Selby District Council and North Yorkshire County Council are working together in a partnership called *Better Together* which is about seamless delivery in front-line services within the Selby district and supporting better outcomes for our communities. We want to support self-sufficient customers and resilient communities who are less reliant on public sector intervention and better placed to deliver for themselves.

## **Background**

The two councils serve the same customers in the Selby District and we want our customers to experience a seamless service from both organisations. Until recently, the two councils delivered services separately, using traditional channels, often from different buildings, some of which were no longer be suitable for the needs of the community. This way of working was inefficient and costly, led to duplication and could even lead to failure in delivering essential services to the most vulnerable people in our community.

Moreover, whilst it is appreciated that some vulnerable customers will always need a level of direct contact, it is clear that there are opportunities for our customers to benefit from digital methods and become empowered to self-serve and deliver outcomes for themselves and their communities. NYCC currently satisfies 30% of its contact online and 70% through its customer services contact centre; the ambition is to turn this around. SDC's current level of online contact is 3.5%, with an ambition for this to become the first channel of choice. Customer expectations are changing with many people wishing to access services online at a time that is convenient for them. However, we must remember that not everyone is able to use online methods so we will continue to provide services via the telephone and face-to-face.

People across the Selby district are becoming more active in their communities and the recent success of 'good neighbour' schemes in the district shows the potential people in communities have to make a difference. Indeed the Selby District Council Corporate Plan 2015-19 prioritises to making Selby District a great place to make a difference – by empowering people to contribute and get involved in public service delivery, and by transforming the way people access their services. This strategy helps to deliver the Corporate Plan by demonstrating a new way of working that supports customers in innovative ways, and helps those who are more able to be less reliant on direct contact.

## **Vision**

In 5 years' time the way in which we transact with customers will primarily be online. We will do this by supporting our customers to access information and services, promoting self-resilience and enabling people to take further responsibility in supporting their communities.

## **What the customer strategy will deliver**

We will work as one organisation to support those who use our services and to deliver responsive, timely, seamless services with integrity.

This new way of working will deliver:

- An improved customer experience
- On-line services that customers want to use at a time that is convenient for them
- Easier and more consistent access to information and services
- Providing accessibility and choice
- Promoting and communicating services which are focused on customer needs and interests
- A safety net for those customers who can't access on-line services through continued telephone and face-to-face provision.
- Support for customers who want to get on-line
- Support for local people to take on further responsibility for their community
- Support from councillors who have a key role to play as ambassadors in educating, informing and assisting people in their communities

In addition to bringing in the new ways of working, the strategy will work to ensure that our current customer channels are working effectively.

### **Changing channels**

Changing the way our customers contact the councils will be key to the future. The growth of the internet and the easy availability of handheld technology and tablets have changed how many of us find information, shop, book our holidays, apply for jobs and keep in touch with friends. NYCC research has shown that in North Yorkshire 88% of people access the internet via a computer or lap-top, while 42% access the internet via mobile phone and 37% a tablet. The main reason is to use e-mail (94%) and to search for information (91%), followed by shopping (79%) and internet banking (66%). This shows that a high proportion of local people are already using the internet for transactions similar to those which they might need to make with their local authority.

### **Customer feedback**

Customers have told us through a district-wide survey about the type of contact that they have with Selby District Council, how satisfied they are with their experience and how we can have better two-way communication:-

- **Satisfaction with current communication methods** - People have told us that they use the website and social media to communicate with us – however people are currently more satisfied with traditional means of communication. It is therefore clear that we need to build satisfaction in electronic communication methods – making it a first choice due to ease of use.
- **Communication with the Council matters to the community** - A large proportion of respondents tell us that it is important to them that the Council listens and communicate better. Helping people to access services in variety of ways, and making sure that messages are communicated across the types of media will help with this.

- **Digital communication** - Although a good proportion of people are interested in using more digital methods to communicate with the Council, it was clear that many of those who weren't either felt in need of help and training to access technology, or currently prefer to communicate face to face or by telephone. Some people also feel that the Council should improve its digital offer. We can help by making the digital offer people's preferred choice, and by supporting those who would like to explore electronic methods of contact.

### **What will this strategy mean for people living in the Selby District?**

We will explain what the strategy will mean for our customers through the experiences of 11 fictitious people: Mike and his wife Jenny, Mary, Sandra, her mother Dorothy, Adrianna, Michelle, her son Callum, Peter, Michael and John.

## Mike, 38, accountant & Jenny, 36, office manager

*“When I’m not at work, I want to enjoy being with my family, so I want to be able to do what needs to be done quickly and efficiently.”*



### Description

- Mike has a demanding job with a firm of chartered accountants in Leeds.
- He is married to Jenny, who works part-time for a housing association while the children are young.
- They have two children, a five-year-old daughter, who has recently started school, and a three-year-old boy. Most of their spare time revolves around the children.
- They live in a modern detached property in Ulleskelf.
- They are a 2 car family and both Mike and Jenny drive to work although Mike sometimes gets the train.

### Channels of communication

- Mike and Jenny work with computers and are entirely at home with them. They like the convenience of mobile devices. They use the internet to communicate, find information, shop and bank. It is their preferred choice, but they do get frustrated if it is not efficient.
- Their second choice would be the phone. With a young family and busy lives to juggle, they don’t want to have to deal with face to face appointments.

### What this strategy means for Mike and Jenny

- Mike will be able to use the shared council website to find information on schools and search for childcare.
- Mike and Jenny were recently very concerned about some potential development in their village. Jenny investigated it on the website and then made her concerns known to their local district councillor via email. The new website will mean Jenny will be able to do all of this in one place online, not only making it easier for them but also meaning they get responses and updates more quickly.
- Mike often uses twitter and signed up to the County Council for gritting information. In the future Mike will receive more information via twitter about both councils and if he uses twitter to complain about a pothole it will be picked up and fixed, whichever channel he chooses.
- They pay their Council Tax by direct debit and would like to receive their bill electronically – in the future Mike and Jenny will be able to opt for electronically.

## Mary, 60, retired

*“Life begins again at retirement, and I intend to live it to the full.”*



### Description

- Mary is a recently retired teacher. She is married to Harold, a bank manager, who is looking forward to retirement. They have no children.
- Mary enjoyed the social and community aspects of teaching, so – as well as finding more time for her and Harold to enjoy exploring North Yorkshire’s countryside – she intends to carry this on through voluntary work.
- While they both still have their health and can drive, she intends to make the most of life.
- They live in a sizeable property in Bolton Percy.



### Channels of communication

- Both Mary and Harold are confident computer users, having had to use them regularly as part of their work. However, they are less enthusiastic users at home. They haven’t used computers much for pleasure, mainly just to find out about services and occasional shopping, though Mary thinks this might change.
- At present, if they wanted to find out about or discuss a new service or product, they are more likely to go to the phone than the computer to complete any transaction.

### What this strategy means for Mary

- She is interested in voluntary work and meeting new people. Mary has recently volunteered to be part of the Tadcaster and Villages Good Neighbour Scheme. She is keen to learn more about technology and how to find more information online; this strategy will mean she can sign up to see a Digital Champion at the two councils’ shared Tadcaster office and learn how to get more from online services.
- Mary may receive targeted communications to get her to start thinking about planning for her old age. These communications will direct her to information on the website and she will be able to use the online calculator to see what she may need to pay for her future care.
- In the future Mary will be able to download maps and walks so she can pursue her love of the countryside and even find how to join local walking groups by using the new Community Directory online.
- Mary is considering delving into her family history, which she has been promising to do for a long time. In the future she will be able to do most of this online but will also find out about local events which interest her.

## Sandra, 48, teacher

*"We're just an average family that want to be able to get on with our lives."*



### Description

- Sandra is a secondary school teacher. Her husband, Tom, is a site manager for a local construction company. They have two teenage children, Sophie and Ben.
- The children have to travel 4 miles to Brayton High school.
- Sandra's widowed mother Dorothy lives on her own in Tadcaster but increasingly needs more help from Sandra. Sandra is aware that as her mother's condition deteriorates, the family might need more support or she might need to look at how she can carry on working while spending more time caring for her mother.
- Sandra feels she spends a lot of time driving, either to and forth to Tadcaster to see her mother or ferrying her children round to various activities.
- She has put on quite a bit of weight recently and is looking to loose this.
- They live in Chapel Haddlesey in a three-bedroom detached property.

### Channels of communication

- Sandra is aware of the services offered by the various local authorities. If she needs information about council services, her first port of call is the website. For school-related matters she usually goes to the school's own website.
- She has used the website to find out about social care, but expects to need to speak to someone if she wants to take things further.
- She does not trust internet banking and therefore prefers to use a bank with a local branch.
- Sandra thinks her children follow the youth service's area Facebook page.

### What this strategy means for Sandra

- In the future Sandra will be able to apply for her children's school bus passes online and will receive a reminder next when year when she needs to renew.
- Her daughter, Sophie, plays the cornet and attends Selby Music Centre every Saturday to practise. The centre meets at Selby High School and Sophie can get the bus; she uses the app on her mobile to get real time information on the buses.
- Sandra has had some contact with adult social care about her mother and expects she will need to get in contact again. This strategy will mean she will be able to go online and register her mother to receive support through the Good Neighbour Scheme.
- To lose weight Sandra has joined the WLCT's Move it Lose it programme. She has been able to find time for exercise by visiting Tadcaster gym whilst visiting her mother. She will be able to follow her progress using the Wellness Cloud at the gym.



## Dorothy, 75, retired

*"I want to stay active and healthy so I can enjoy watching my grandchildren grow up."*



### Description

- Dorothy moved into a council bungalow several years ago, shortly after she was widowed.
- She has diabetes and has trouble with her hips and knees. She has had a couple of stays in hospital and struggles to readjust when she gets back home. She can't walk far, so is largely housebound.
- She has always been a sociable person and would like to be able to meet people to pursue her interests in crafts and reading. She enjoys music and films to keep her mentally active, but she can't get to the library regularly to borrow items.
- She is starting to get very forgetful which worries her daughter Sandra who supports her to live at home and who she is relying on more and more.
- Dorothy's income is the state pension and her late husband's small personal pension. Money is always tight, but she likes to be able to help her family, as it makes her feel more a part of things.

### Channels of communication

- Dorothy doesn't own a computer or a smart phone. Her grandchildren have shown her how they use things like social media, but it seems alien to Dorothy. She understands she might be missing out on a way to stay in touch with family, but doesn't know how to learn and isn't confident she could.
- She will carry out transactions by phone, but prefers face-to-face contact, so that she can form an opinion of the person she is dealing with.

### What this strategy means for Dorothy

- In the future Dorothy will be able to attend voluntary sector community groups offering activities including singing for the brain. In addition, she has now been allocated a volunteer as part of the Good Neighbour Scheme – this means Dorothy can get help with grocery shopping when she needs it.
- Dorothy has had some help from adult social care services, including the fitting of equipment to help her live at home. In future her daughter Sandra will be able go online to find the best source of equipment. If Dorothy's situation becomes more serious, more personalised support will be provided to her – her local community officer will be able to co-ordinate the support she receives from both councils and other providers.
- Her daughter has been investigating the home library service as Dorothy sometimes can't get to the library.

## Adrianna, 27, Polish migrant worker, pizza restaurant worker

*"This is a beautiful place, but I don't yet feel at home here."*



### Description

- Adrianna came to North Yorkshire from Poland with the intention of improving her career prospects and her English and learning about English culture. Currently, she works in a pizza restaurant at the Designer Outlet. She finds it difficult to speak English and has therefore enrolled at a course at Selby College to learn English.
- She is living in a shared property in Selby with her partner who she met in Selby.
- Adrianna has no car, so has to rely on public transport to get to and from work.
- While she has made friends at work, she would like to be more involved in local life.

### Channels of communication

- Adrianna keeps in touch with her family back in Poland largely through texts. She would like use Skype but at the moment has to rely on her smart phone and the computer at the library so is unable to.
- Adrianna has used the internet to find out information about college courses.

### What this strategy means for Adrianna

- Adrianna is planning on marrying her partner in the near future and is considering marrying at the new registry office at Selby Civic Centre. They have booked an appointment online. Before this office opened, the couple were thinking of going to out of the district for this. Marrying in Selby means it will be easier and cheaper for the couple and their guests with cheaper transport and parking costs. They can even use local Selby firms for catering and flowers.
- By promoting our translation services, and having publicity material in different language, this will reduce the language barriers for Adrianna
- The strategy means Adrianna will be able to use her smartphone to go online to research and compare different accounting courses to find the right one for her.
- She uses the local bus service to get to and from work and likes to check times online.

## Michelle, 37, unemployed shop assistant

*“Life has its ups and downs, but you just have to make the best of it.”*



### Description

- Michelle is a lone parent. She was divorced four years ago, two years after she was diagnosed with multiple sclerosis. The strain her condition put on the marriage was a factor in the divorce. She lives with her son, Callum (17) in a council property in Selby North.
- There continues to be strain between Michelle and Callum, caused partly by the divorce and Callum’s father’s lack of interest in the family, but more immediately by the pressure Michelle’s condition puts on Callum. Callum has to do a lot around the house, which affects his social life. He did not do well at school as a result.
- Michelle had to put lots of plans on hold when she was diagnosed with MS, but she would like to update her skills to get back to work.
- Michelle doesn’t have a car, so relies on public transport.



### Channels of communication

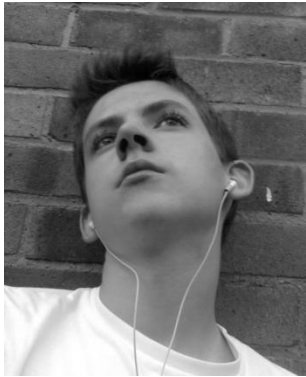
- Michelle has a computer, because Callum needed it for school work, but it’s quite old, so it struggles to run some programmes.
- Michelle uses social media but has little knowledge of using computers and does use email. When she previously moved houses due to the impact of the bedroom tax she went into the office regularly to get support on using the house bidding system.
- She gets most of her news and information from TV.

### What this strategy means for Michelle

- Michelle generally phones the council when she has questions about her housing benefit. This strategy means she will be able to use her smart phone to find the information she needs and ‘live chat’ with an officer.
- In the future, the local community officer will co-ordinate the services Michelle receives from the two councils and other providers, like the voluntary sector. The community officer will support her to complete the social care self assessment form on the website.
- When she previously moved houses due to the impact of the spare room subsidy she went into the office regularly to get support on using the house bidding system. In the future a local volunteer champion will be available to show her how to do this on her smart phone.
- She has recently started volunteering on the Big Local project, this has helped her meet new people and improve her skills and confidence which could help her gain employment in the future.

## Callum, 17, student

*"I just want to get away from home, I spend too much time looking after Mum."*



### Description

- Callum lives with his mum Michelle in a council property in Selby North.
- There is strain between Michelle and Callum, caused partly by the divorce and Callum's father's lack of interest in the family, but more immediately by the pressure Michelle's condition puts on Callum. Callum has to do a lot around the house, which affects his social life. He did not do well at school as a result.
- He is now attending Selby College, studying for a Certificate in Access to Building Services alongside repeating his GCSEs in Maths and English



### Channels of communication

- Callum has an old computer which Michelle bought him for school work, but it's quite old, so it struggles to run some programmes. He never uses it.
- Callum prefers to use his smartphone to keep in touch and keep up to date with what his friends are doing.

### What this strategy means for Callum

- Callum will be able to access information on activities for young people in the area on Facebook which he can access on his smartphone.
- The local community officer who co-ordinates services for Michelle will be able to act as a single contact point for Callum when he has concerns.
- He will also be able to find out about services that could help his mum and provide more support for him on the website including young carer support.
- Callum would love to move out of home and has been looking at flats but cannot afford anything.

## Peter, 44, postal worker

*“We’re at a good time in our lives, which gives us a chance to think about helping someone else.”*



### Description

- Peter works for the post office. His wife, Penny, runs a laundry business from home in Camblesforth.
- They have a young son. Penny takes him to the nearest children’s centre, where most of them enjoy the social aspects. At the centre, Penny has found out about adult learning courses and is considering taking courses to widen her job options.
- Peter has an older son from his previous marriage.



### Channels of communication

- Penny has contact via the children’s centre.
- The couple’s first choice method of communication is online for general information, but they would expect to talk to someone face to face for complicated enquiries.
- Penny keeps in touch with other mums through social media.

### What this strategy means for Peter

- In the future, even when things appear complicated, Peter and Penny will be able to do more online. The ‘web chat’ button will mean they can get help using the website if they need it.
- Peter has decided he would like to do something different and has volunteered to join the Southern area Good Neighbour Scheme.
- Penny is thinking about advertising her laundry business more widely. This strategy means she will be able to visit the councils’ shared website for information about courses for business owners and book into a session.

## Michael, 44, business man

“I just want to be able to grow my business and employ more people.”



### Description

- Michael lives in Leeds but runs a small building company business employing 3 people in Selby Town.
- He commutes into Selby most days and often ends up spending money within the town at lunchtime.
- He has considered moving closer to work but his children are settled at school and he does not want to disrupt their education at this time.

### Channels of communication

- Michael is a big fan of technology and ensures as many processes as possible are computerised. This also reduces the need to store paper which is essential in his very small office.
- Michael uses digital means to promote and manage business – using his website, email and social media. He expects other organisations to be as on the ball as him, so in any dealings with the council he would expect to find what he wants on the website.
- He uses his smartphone to stay in touch so wants to be able to use it to access the internet when out and about.

### What this strategy means for Michael

- Michael pays his Business rates on his office by direct debit and would like to receive the bill electronically – in the future he will be able to opt for electronically.
- Michael is signed up to the Yortender sites so that he can bid for contracts to work with the councils.
- He sometimes needs to apply for licences for the building works. The new strategy will mean that the company will be able to set up a customer account that will mean they will not have to input all the details about the company every time that they apply.

## John, 60, manual worker

“I need somewhere to live”



### Description

- John lives alone in a three-bedroom house in the Abbot's Road area of Selby, originally purchased from the council.
- John was married but his wife moved out and they have agreed to divorce. The house has been sold and therefore he has to leave.
- John is a manual worker based in the town. He has no car therefore relies on being able to walk to his job. He has a heart problem.
- The family unit has broken down completely.
- Because he has to leave his home John needs the council to help find him somewhere to live, which due to his health needs to be a ground floor property and in Selby.



### Channels of communication

- John has a mobile phone for calls, but struggles to text. His ex wife has had the land line cut off.
- He has no computer and doesn't know how to use one.
- John's councillor has helped him get an interview with the council's housing options advisor but there are few/if any suitable properties available. His niece has volunteered to help him bid on HomeChoice for a property but is struggling with her own health problems.

### What this strategy means for John

- John will still be able to contact the council by telephone if he wishes.
- The Central Area Good Neighbour Scheme will be able to provide John with a volunteer to help with his HomeChoice application using a community computer. However, if he still needs help from the council, he will still be able to access face to face support from the council.

## **What do we need to do to make this happen?**

- 1. We will target our services to customers** – this means using the information we have about our customers better so that we know who needs more help, better target our resources and identify where we can look to communities to do more. This will involve researching the current and future needs of our customers and looking at how they use our services, and the services of others, so we can plan better for the future. We know that not everyone will be able to access our services online, so we will make sure there is a safety net for the most vulnerable.
- 2. We will give help people use digital to get the services they need** - customers will be able to find relevant information, advice and guidance and request and track services. Digital Champions will help people use online services and people using the Home Library Service will be able to self-serve. We will keep traditional channels for some of our customers and situations (e.g. vulnerable people). We also want to make information and data about the two councils easily accessible to our community.
- 3. We will build strong communities** - a key part of the future will be supporting people in communities to get more involved in volunteering to support their community. The ‘good neighbour’ schemes operating already in parts of the district have found that people are keen to do more for people in their community. We plan to set up a team of community navigators across the whole district to provide signposting to services and community groups, advice on lifestyle choices, and support on social care and community support via brokerage, signposting and information. We will help communities wishing to plan for their future and deliver services themselves. A key change will be the setting up of community hubs or networks in our main settlements for all public services and volunteers to deliver a joined-up service to customers.

## **Key steps on the way**

We have a lot of work to do, so we have broken it down year by year. We have set out below what we will deliver in each year:

### **2015/16**

- We will look at how our customers have used our new website and deliver further improvements to better meet their needs and provide more services online
- We will look at all our contact with customers and how we can learn from this to encourage more people onto online methods.
- We will work with the voluntary sector to compile an audit of community organisations and groups so we can better signpost and co-ordinate how they can support local people
- We will evaluate our Good Neighbour volunteer scheme so we can develop it further to provide more in local communities.

### **2016/17**

- We will set up community hubs providing a range of services in our three main settlements (this will be a place run by a combination of paid staff and volunteers where



people potentially can borrow a book, pay their council tax, use a community computer, get advice on services, have a coffee and much more besides)

- We will have a new single customer contact centre in operation
- We will have one number for people to access either council's services when they still need to contact us by telephone

### **2017/18**

- We will have an established new way of working through communities and will be able to show that more is being provided through volunteer-led schemes and community hubs
- We will be delivering the majority of our contact with customers online at a time convenient for them.

### **2018/19**

- We will look at how effective this strategy has been and how we need to work in the future.

### **Resources to deliver**

Both councils are committed to transform how services are delivered to customers. A programme has been agreed with resources identified to make sure we are able to make the changes above.

### **How will we ensure we deliver?**

We will deliver this strategy through an annual action plan which will be monitored and reviewed.

### **More information**

If you would like more information on the strategy, please contact Rose Norris, Executive Director on 01757 705101 or by e-mail at [rnorris@selby.gov.uk](mailto:rnorris@selby.gov.uk)

# Customer Strategy; Post Consultation Report



## **1.0 Introduction**

1.1 Selby District Council and North Yorkshire County Council are working together in a partnership called Better Together which is about seamless delivery in front-line services within the Selby district and supporting better outcomes for our communities.

1.2 The Customer Strategy is a key document for the Council and sets out the ways the Council will adapt to the challenges it faces and what customers can expect from a forward thinking and innovative council. The Customer Strategy should not be viewed in isolation; it is closely linked to and has a dependency on other work taking place across the Council, especially through the Better Together programme.

1.3 This paper reports on the outcomes of the Customer Strategy public consultation and provides recommendations for the Council's Executive to consider. Consultation with staff and partners was also undertaken.

1.4 The draft Customer Strategy, the subject of the consultation, was developed by talking to and taking into account the views of customers, staff and partners to ensure that the Strategy was not developed in a vacuum and that it had a basis in reality. An Equality Impact Assessment was prepared to accompany the Strategy

## **2.0 Purpose and scope of the public consultation**

2.1 The purpose of the consultation was to engage people who live, work or study in Selby district in understanding and providing feedback on the proposed Customer Strategy.

2.2 The public consultation took place over a period of 11 weeks (18<sup>th</sup> May 2015 – 7<sup>th</sup> August 2015) and its purpose was to ascertain public opinion on the new ways of working as outlined in the Strategy, namely:

- An improved customer experience.
- On-line services that customers want to use at a time that is convenient for them.

- Easier and more consistent access to information and services.
- Providing accessibility and choice.
- Targeted communication and marketing- focused on customer needs and interests and a design to drive down demand for traditional services.
- A safety net for those customers who can't access on-line services through continued telephone and face to face provision.
- Support for customers who want to get on-line.
- Support for local to take on further responsibility for their community.
- Support from councillors who have a key role to play as ambassador in educating, informing and assisting people in their communities.

### **3.0 Methodology**

3.1 A range of approaches were used to capture the response to the Customer Strategy which are detailed below;

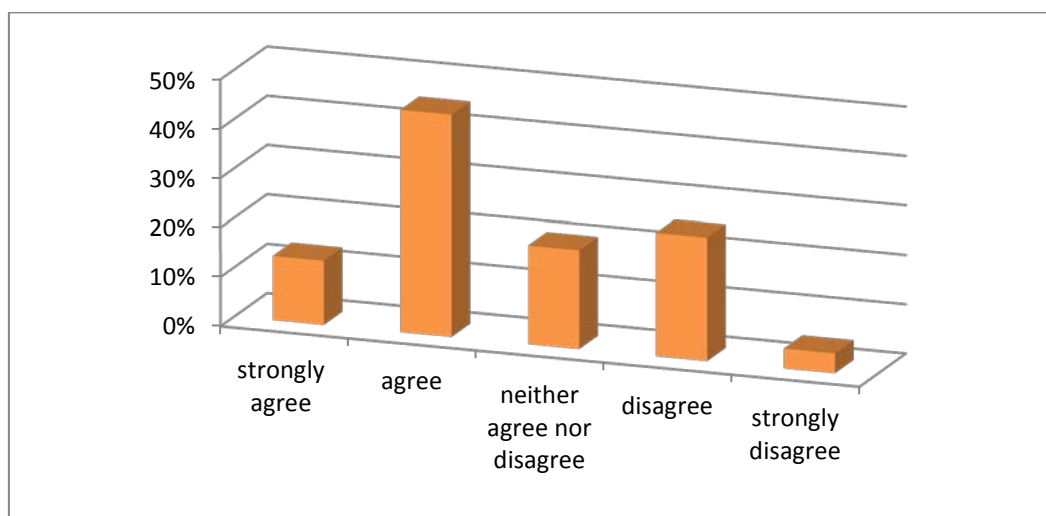
- An email outlining the Strategy and a link to the questionnaire was sent to Selby district partners.
- All consultation documentation including the questionnaire was available on Selby District Council's website.
- An email address was provided for any requests for information.
- Alternative formats and languages of background documentation were available on request
- A workshop was held to help staff, delivery partners, public, and members to understand the proposal, enabling them to respond formally to the consultation.
- Stakeholders also had the opportunity to provide their thoughts through a variety of different forums including Community Engagement Forums, Learning Disability and Partnership board, Leisure Centre, Business Buddies meetings, Horton Community Café, Selby District Advice Network.

### **4.0 Consultation Feedback**

4.1 The questions asked below were those listed on the questionnaire and formed the basis of the discussion throughout the workshops. We asked customers which new ways of working they most agreed with to the least. The graphs and comments below are a summary of the results from the online questionnaire as well as from the workshops. A list of all the parties consulted can be found in Appendix A.

The vision is that in 5 years' time the way in which Selby District Council will transact with customers will primarily be online. We will do this by supporting our customers to access information and services, promoting self-resilience and enabling people to take further responsibility in supporting their communities.

We asked, “To what extent do you agree/disagree with the vision”?

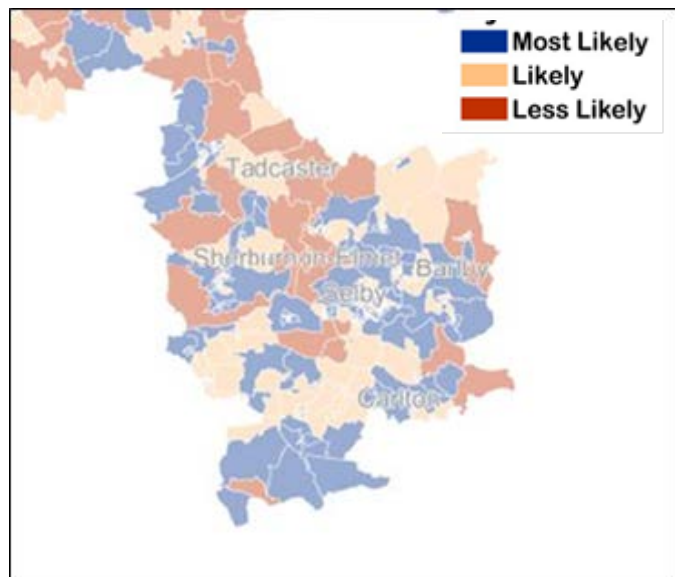


Many agreed with the convenience of transacting online especially for those who work and were unable to access the council services throughout the day. However, it was mentioned that facilities and opening hours to access online services would need to be improved, through libraries and the contact centre as well as to have better internet connection across the district. The results have shown that customers would like to use online services but do not have access to a computer.

There was a clear consensus that digital channels are developing rapidly and it was recognised that an increase in digital channels has caused a change in behaviour amongst many. Some comments referred to using social media to understand the community better; it was thought that this will enable the council to be more pro-active in enabling people to take further responsibility in supporting their community. It was important to the customer that current online channels are working effectively, such as the website, Furthermore, there was a request that information is written in simple language so that it is easy to understand. The most frequent comment was that there are those who will find it difficult to access online services, therefore a suggestion was that training and help should be provided and alternative channels may be required for the few that cannot be assisted as a safety net.

**This map indicates the tendency to use the internet for council services.**

The map shows that there are concentrated areas in which customers are less likely to use the internet; mainly within the less deprived areas such as Selby North. Selby district does have some areas of deprivation but their levels of digital exclusion are low.

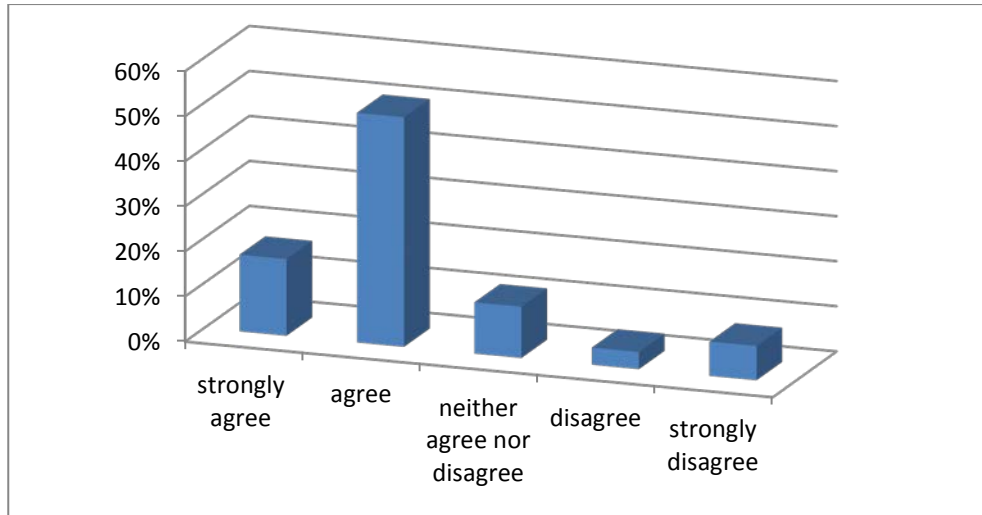


From analysing the citizen's panel data from Dec 2013, 11.3% of people in the Selby district do not use the internet for personal use.

Therefore, from this piece of data, 88.7% of people across the Selby district use the internet for personal use. Therefore, we need to understand how many customers currently use the internet for council services. In addition to this, to determine why customers who use internet for personal use, do not use it for council services. To understand what the barriers are in place to prevent customers from accessing our services online. Furthermore, to determine what the council could do to decrease those barriers and make services online more accessible.

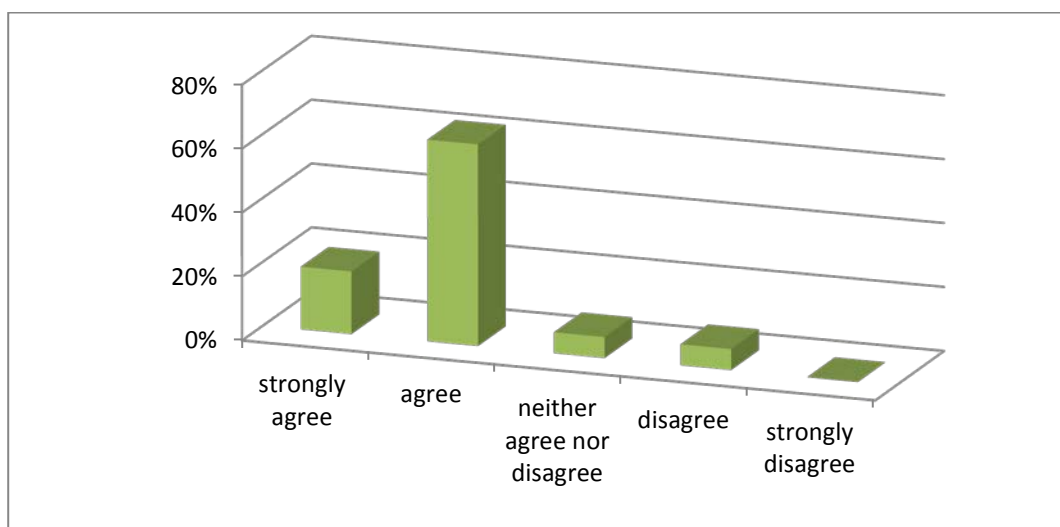
4.2 We will work as one organisation to support those who use our services and to deliver responsive, timely, seamless services with integrity. This new way of working will deliver a number of outcomes. Please indicate to what extent you agree/disagree with the following planned outcomes.

We asked, "To what extent do you agree/disagree with an improved customer experience"?



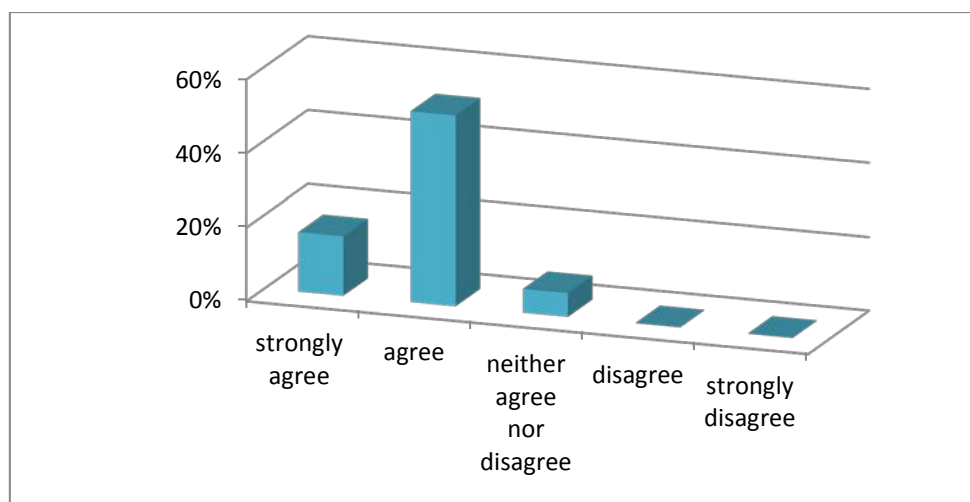
The consultation highlighted that it is important to ensure that there is a seamless delivery of services, especially within the contact centre which will have the potential to reduce hand offs. Another comment that was raised was to ensure that web forms are clearly accessible and formatted correctly, so that officers receive the correct information needed to provide a solution to the query. A recommendation put forward was that an acknowledgement is needed once an email has been received; so that the customer knows that their enquiry is being dealt with. Where there is a language barrier for those who cannot speak English or are illiterate, the council would need to have more facilities available to provide accessibility. Customers suggested that if services are moving online, there was seen to be a need to have more of a web chat facility which will keep the personal touch.

4.3 We asked, “To what extent do you agree/disagree with having on-line services that customers want to use at a time that is convenient for them”?



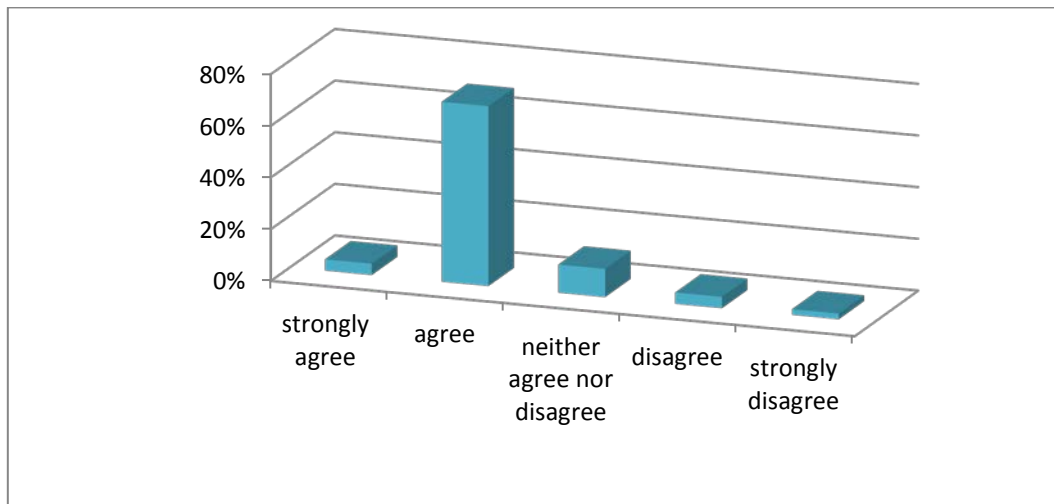
Most customers agreed that online services are more convenient as there is 24/7 access available. However, many do feel that there is a lack of information or it is difficult to find information on the website. This results into an increase in customers contacting the council via telephone. A suggestion has been put forward to ensure that A-Z indexes include links to services at North Yorkshire County Council. This was particularly important for those who have disabilities to understand what services were available to them. There was a comment that the look and feel of new online services should be user friendly. Also, a need was identified to look at using more social media sites to engage with the younger audience. One of the concerns raised was that some older people will find it difficult to use services online and may become more confused therefore help would be needed.

4.4 We asked, “To what extent do you agree/disagree with having more easier and consistent access to information and services”?



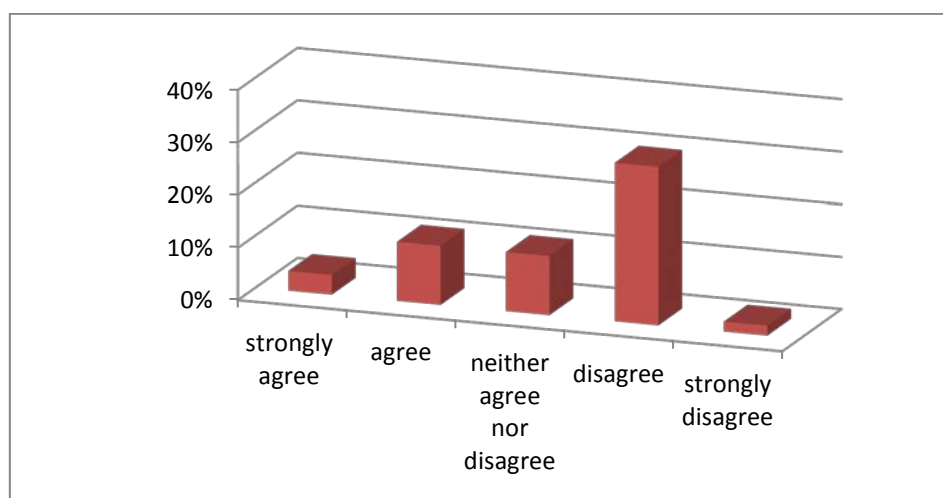
A frequent comment was that customers did not know what services the council provides and what those services do. Therefore, customers would like the council to communicate what they offer in simple, plain and easy to understand language. A further suggestion put forward was to have more links with the parish councils and provide more access to information and services through them. Furthermore, to present information differently, so that is appealing to different readers and easier to understand.

4.5 We asked, “To what extent do you agree/disagree with providing more accessibility and choice”?



Many saw accessibility as one of the biggest challenges they viewed it as crucial in delivering the strategy as some customers were acknowledged as being unable to move to online services. The consultation illustrated that there are those who struggle with their reading and writing, who do not often like to ask for help and the council should ensure that services are still available for them. Once there is more easier and consistent access to information that will increase access to services, was one of the comments put forward during the consultation.

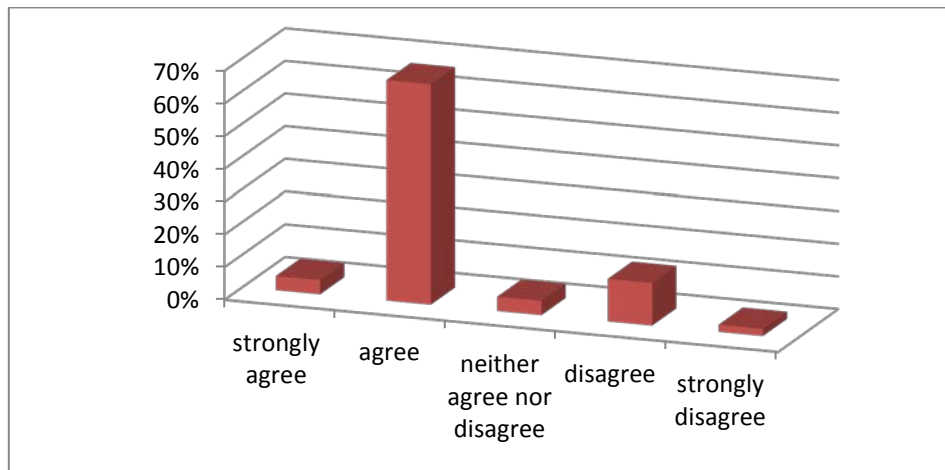
4.6 We asked, “To what extent do you agree/disagree with providing more targeted communication and marketing- focused on customer needs and interests and a design to drive down demand for traditional services”?





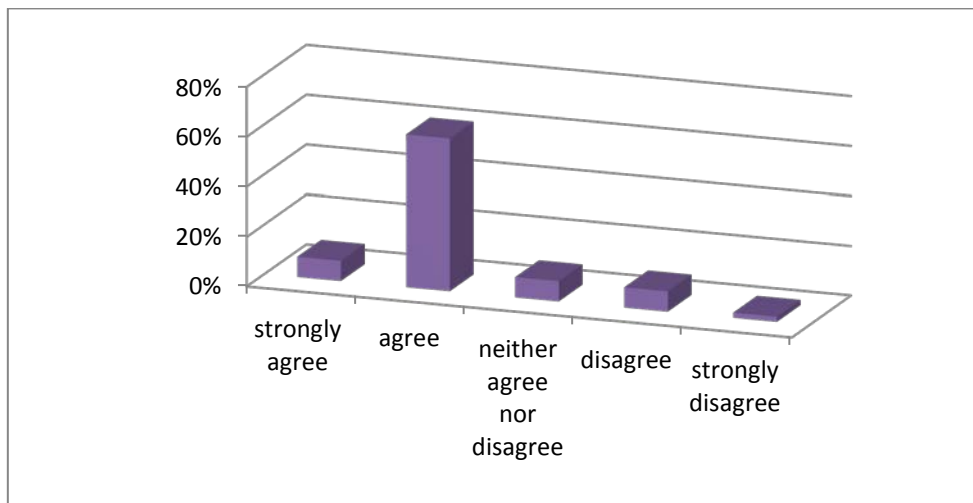
This was the outcome that many understood the least and therefore many disagreed with the statement. The word 'marketing' has connotations against it and many customers did not understand what it meant. This highlighted that the council does need to communicate in simple and plain English. However, once explained that the outcome is promoting and communicating services which are focused on customer needs and interests, many did agree. Communication is important to the customer and moving forward they would like to understand the services that the council delivers. Many believed that there should not be a drive down in traditional services but rather more choice of channels.

4.7 We asked, "To what extent do you agree/disagree that there should be a safety net for those customers who can't access on-line services through continued telephone and face to face provision"?



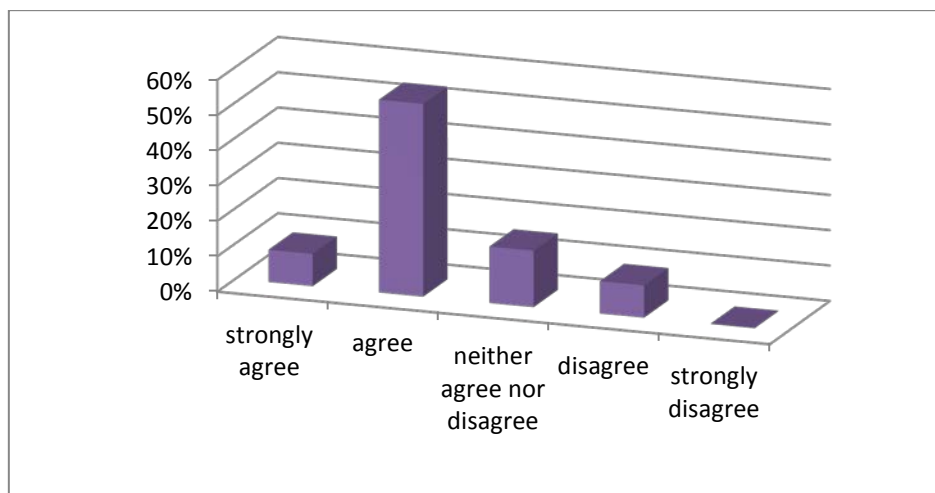
This was important as the consultation process has recognised that Selby does have vulnerable customers who will always need telephone and face to face provisions. Having consulted with customers who are quite reliant on support, they still liked the idea of having services online. It was more important to them that they received a good customer service. The blended approach to having services online as well as face to face and telephone provision was well received. The notion of having face to face provision being provided through a hub facility in a library was well liked. It was very evident that people still want to have the connection with the council and a feeling that support is available.

4.8 We asked, “To what extent do you agree/disagree that there should be support for customers who want to get online”?



A clear consensus was that support is needed for more customers who want to get on-line. There were a number of customers that, although they would like to go online, they have never had the opportunity to do so. A suggestion put forward was that courses should be provided, but should be done differently for each age range in order to make it easier for them to understand. The idea of digital champions was well received; to have an individual who would come and help customers to use online channels.

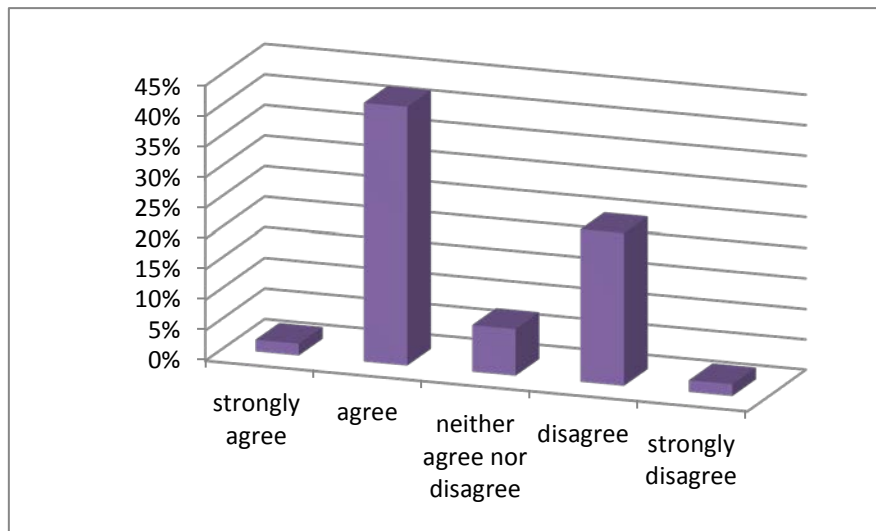
4.9 We asked, “To what extent do you agree/disagree that there should be support for local people to take on further responsibility for their community”?



The consultation highlighted that there are some key individuals that do want to take on further responsibility; many of them are not clear on how they can do this. Many people commented that communication was key and suggested using the advocates that already exist within the community to bring people on board.

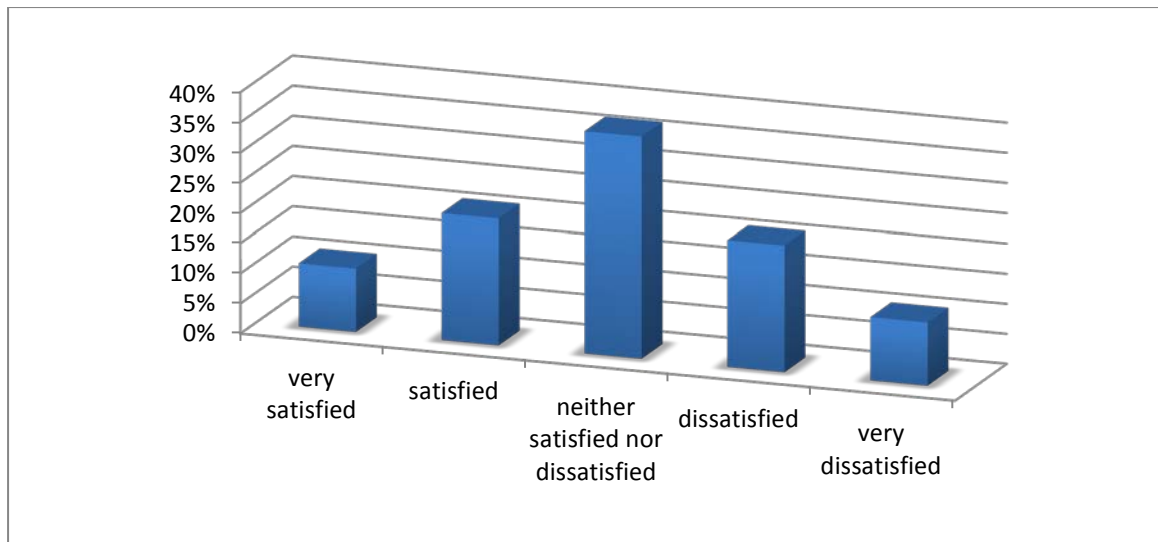
It was agreed that customers do want to be involved in the process especially when designing services.

4.10 We asked, “To what extent do you agree/disagree that there should be support from councillors who have a key role to play as ambassador in educating, informing and assisting people in their communities”?



Many people do not tend to contact their councillors unless they have an issue within their community. However, customers would like to have more support and an understanding of how their councillor could help them. There were those who did say that there were many council layers and it was difficult to understand who to contact. A suggestion from the consultation was for councillors to be provided with more information.

4.11 We have explained what the strategy will mean for our customers through the experiences of 11 fictitious people: Mike and his wife Jenny, Mary, Sandra, her mother Dorothy, Adrianna, Michelle, her son Callum, Peter, Michael and John. How satisfied/disatisfied are you that using these people helps explain what the strategy will mean for our customers?



Some customers were able to relate to the strategy better via the fictitious people as it made it a lot more personable. However, there was still the argument that Selby district is quite diverse and it does not cover all. Also, that there needs to be case studies of how the customer strategy has helped specific people.

## **5.0 Conclusion**

To summarise the consultation has shown that most do agree with providing services online, however there is still that appreciation that not everyone will have the ability or access to use service online and therefore provisions must be put in place. The strategy retains the safety net of face to face contact but using a different channel such as a hub/network which will potentially have a positive impact as services offered will be more inclusive and available in a more informal and approachable environment. Therefore, we are providing accessibility and choice which is important to the customer.

The consultation illustrated the council must ensure that the channels are working effectively and efficient. Communication has been highlighted as important; communities want to be involved in designing the service.

## **6.0 Appendices**

### **Appendix A: Consultation meetings with staff and partners**

#### Community Engagement Forums

Eastern

Western

Tadcaster & Villages

Central

Southern

Selby District Disability Forum

Horton Community Café

Business Buddies

Leisure Centre

Delivery Partner Workshop

Staff Workshop

Public Workshop

Councillor Workshop

Selby District Advice Network

Equalities Network

Eastern European Community

Activity days for Travellers

Online questionnaire

Selby Contact Centre

# Equality, Diversity, and Community Impact Screening



As a public authority we should ensure that all our strategies, policies, services and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

This form should be read in conjunction with the Equality Diversity and Community Impact Assessment Toolkit

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

- The relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being/has already been considered, and
- whether or not it is necessary to carry out an impact assessment

<b>Project Name/Service Area:</b> Customer Strategy	
<b>Lead person:</b> Ameena Mughal	<b>Contact number:</b> 01609 798545

<b>1. Title:</b> Customer Strategy	
<b>Is this</b>	
	A Strategy

**2. Please provide a brief description of what you are screening**

The vision the Customer Strategy is that in 5 years' time the way in which we transact with customers will primarily be online. We will do this by supporting our customers to access information and services, promoting self-resilience and enabling people to take further responsibility in supporting their communities.

The strategy sought opportunities by which Selby District Council and North Yorkshire County Council can collaborate as part of the Better Together programme to offer a more seamless delivery and an improved customer experience. Until recently, the two councils delivered services separately, using traditional channels, often from different buildings, some of which were no longer suitable for the needs of the community. This way of working was inefficient and costly, led to duplication and could even lead to failure in delivering essential services to the most vulnerable people in our community.

Moreover, whilst it is appreciated that some vulnerable customers will always need a level of direct contact, it is clear that there are opportunities for our customers to

benefit from digital methods and become empowered to self-serve and deliver outcomes for themselves and their communities.

Customer expectations are changing with many people wishing to access services online at a time that is convenient for them. However, we must remember that not everyone is able to use online methods so we will continue to provide services via the telephone and face to face.

People across the Selby district are becoming more active in their communities and the recent success of 'good neighbour' schemes in the district shows the potential people in communities have to make a difference. Furthermore the Selby District Council Corporate Plan 2015-19 prioritises making Selby District a great place to make a difference – by empowering people to contribute and get involved in public service delivery, and by transforming the way people access their services.

This strategy helps to deliver the Corporate Plan by demonstrating a new way of working that supports customers in innovative ways, and helps those who are more able to be less reliant on direct contact.

### 3. Relevance to equality, diversity, and community impact

All the council's strategies/policies, services/functions affect service users and the wider community – district wide or more local.

The effects may have a greater/lesser relevance to equality, diversity, cohesion and integration.

The following questions will help you to identify how relevant EDCI is to your proposals.

When considering these questions think about the protected characteristics : age, disability, gender reassignment, pregnancy or maternity, race, religion or belief, sex, sexual orientation, and any other relevant characteristics (for example socio-economic status, social class, income, unemployment, residential location or family background, caring responsibilities and education or skills levels).

Questions	Yes	No
Does the proposal have (or could it have) a different impact for people with protected equality characteristics?	Yes	
Have there been or is there likely to be any public concern about the policy or proposal?	Yes	
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	Yes	
Does the proposal involve or will it have an impact on	Yes	

<ul style="list-style-type: none"> <li>• Eliminating unlawful discrimination, victimisation and harassment</li> <li>• Advancing equality of opportunity</li> <li>• Fostering good relations</li> </ul>		
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If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity and community impact within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity and community impact within your proposal please go to **section 5**.

#### 4. Considering the impact on equality, diversity and community impact

If you can demonstrate you have considered how your proposals impact on equality, diversity and community impact you have carried out an impact assessment.

Please provide specific details for all three areas below (use the prompts for guidance).

- **How have you considered equality, diversity and community impact?**

(**think about** the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement activities (taken place or planned) with those likely to be affected)

This proposal affects people with protected characteristics listed below:

- Age
- Disability
- Race
- Religion or belief

It is difficult to determine the impact the customer strategy will have on some people. To address this a consultation was undertaken. From implementing the strategy, the council will gain more of an understanding of the impact on different group. The strategy is not targeted, specific or restricted to the characteristics listed below so should not have a negative impact on:

- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Sex
- Sexual orientation

A consultation has taken place and a variety of groups and forums were consulted. This included the Selby District Disability Board, Traveller communities, older people through the community café, Eastern European community through Selby food festival. In addition, younger people were consulted at the Leisure Centre and customers had the



opportunity to feedback through the Community Engagement Forum. The consultation has allowed a determination of how the proposal will affect the characteristics listed above.

The Customer Strategy underpins the council's Better Together programme which is a collaboration with North Yorkshire County Council. This assessment of Equality Impact has been made at an early stage in the development of the Customer Strategy as a basis for further work. It should therefore be noted that this is a dynamic assessment of the vision and principles of the strategy which will continue to be refined as further work is undertaken. Impact on equality will be considered throughout implementing strategy.

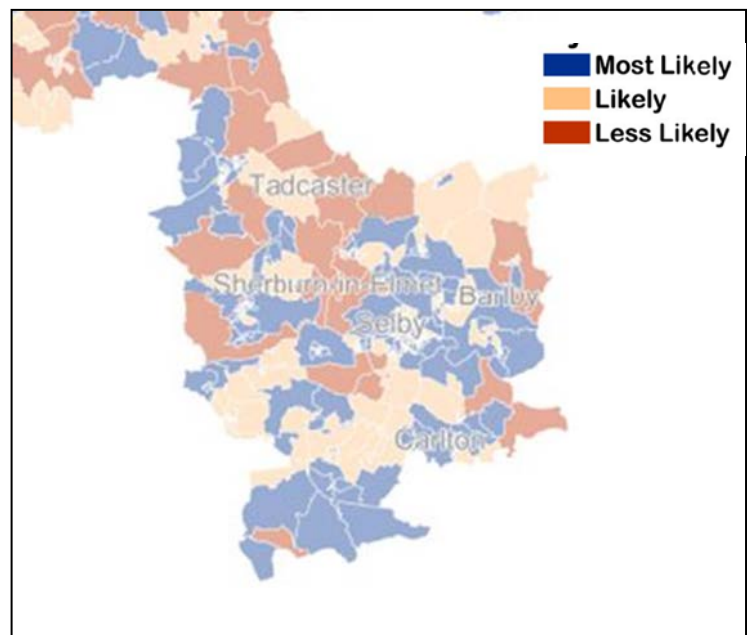
The customer strategy proposes a balance between moving services online, telephone provision and face to face contact. It will look at the different options available and promote the customer channel best suited to the customer needs.

### **Tendency to use the internet for council services**

This map indicates the tendency to use the internet for council services.

The map shows that are concentrated areas in which customers are less likely to use the internet; mainly within the less deprived areas such as Selby North. Selby district does have some areas of deprivation but their levels of digital exclusion are low.

From analysing the citizen's panel data from Dec 2013, 11.3% of people in the Selby district do not use the internet for personal use.



The Customer and Community workstream, will look to create a single view of the customer and further analysis will be done in regards to customer data and how customers currently utilise online services within the Selby district.

The recent Assisted Digital report produced by NYCC's Business Intelligence Team highlighted that 55% of neighbourhoods in the County are digitally excluded compared to the national average of 40%. Within the County, the number of people who do not use the internet for personal usage varies significantly across districts (24.5% of residents in Scarborough district compared to an average of 10.97% in the other districts). In this respect, ensuring that alternative accessibility through complementary channels (telephone, face-to-face etc) remains available is vital to ensuring that barriers are not created for customers.

It is also essential that Selby ensures that digital inclusion, computer literacy and broadband connectivity remain priority agendas for Selby District Council.

Customer analysis will further determine the impact the customer strategy will have on people with protected characteristics.

- **Key findings**

(**think about** any potential positive and negative impact on different equality characteristics, potential to promote strong and positive relationships between groups, potential to bring groups/communities into increased contact with each other, perception that the proposal could benefit one group at the expense of another)

The consultation identified positive and negative impact on the following people with protected characteristics.

**Impact on age**

We have consulted residents of care homes as well as using an online survey which was circulated around the older peoples' forum. In regards to moving more services online, there could be a negative impact on older people as many lack the facilities to access online service or do not have the skills and the knowledge to use technology. The strategy retains the safety net of face to face contact but using a different channel such as a hub/network which will potentially have a positive impact as services offered will be more inclusive and available in a more informal and approachable environment.

On the other hand, for families and young people there was a positive impact of moving more services online especially where parents work full time and are unable to access council services from 9am to 5pm. Young people generally tend to use council services a lot less, however when they do they mainly communicate through social media and the suggestion is that as time progresses will continue the trend to make use of more digital channels.

**Impact on disability**

We consulted with the Selby District Disability board and there was consideration given to different disabilities and degrees of disability.

For those who are visually impaired, moving more services online will have a negative impact but we can put in measures to ensure that text can be enlarged and there are facilities available for text to speech for example that can be utilised. Similarly, for people who are hearing impaired, if we were to move to using web chat, we would need to ensure that clear text facilities are available.

Moving services online will have a slight positive impact on people with certain disabilities, potentially for those with mobility issues as it will mean more accessibility of services. The caveat is, that it depends on what the disability is, however technological advancements provide alternatives for a people who may be affected by upper limb disabilities. Providing services through a hub setting may have a positive impact as it will offer a friendly and approachable environment, especially if they are involved in the design of services.

Telephone provision may negatively impact customers who have speech impairment or

are without speech

Moving forward, the idea of having community hubs/networks through libraries and other suitable buildings was well received, however it will have to be fit for purpose to meet the needs for those who do have disabilities.

### **Impact on race**

Moving more services online will offer a different channel and therefore in a sense may positively impact those from a different ethnic background whose first language is not English for example. However, this may only be feasible on the basis that an online translation service is available, for example web chat in the customer's own language as we now use language line which works over the telephone.

Providing services through a hub setting may have a positive impact as it will offer a friendly and approachable environment. If they are involved in the design of services such as community hubs this should increase integration and a sense of ownership and responsibility within the community.

### **Impact on religion or belief**

Providing services through a hub setting may have a positive impact as it will offer a friendly and approachable environment. It will give community groups the opportunity to meet others and integrate with others from different religions. Involving different community groups in designing a service would provide opportunities to integrate and build a community network based around the needs of that specific community.

### **• Actions**

**(think about** how you will promote positive impact and remove/ reduce negative impact)

There a number of projects that will deliver the work set out in the Customer Strategy. Each project will conduct a more detailed Equality Impact Assessment. The mains streams that reflect that are reflected in the Customer Strategy are detailed below:

#### **1. Targeting Intelligent Services to Customers**

The aim is to use customer data to shape future solutions, pooling information towards a single view of customer. This positively impacts customers as well as the business by using data and evidence to inform decisions that are made in regards to service reviews and re-design; ensuring that the customer needs are at the heart of the decision making process. For example, we can use data to determine where there is a high percentage of computer illiteracy and ensure that training or assistance is available in those targeted areas.

#### **2. Digital Empowerment**

To deliver and exploit new digital capabilities and shared infrastructure for customers, promote assisted digital use to facilitate the digital strategy via the use of 'Digital Champions'. This will ensure that the digital platform and facilities are available to the customer make the channel shift online with support. Digital champions will be able to

help and guide those that are older who may not be IT literate. This will positively impact the communities as it will reduce isolation and loneliness.

### 3. Strong Communities

To develop the Community Navigator scheme, this will provide a range of low level support on a number of services. To support community led research to take the lead on planning for their future with local initiatives and priorities. This will reduce negative impact as customers will still be provided with face to face support but with an individual on a one to one basis.

### 4. Community Hubs/Networks

Enable community delivery by providing physical local 'hubs' based on local needs supported by the community and partner providers. There will be one located in Selby, Tadcaster and Sherburn. This will give the community a physical space to use and design to meet the needs of the community. It will also promote integration of the different community groups especially from those with different ethnic background. Face to face contact will still be provided and the hubs will essentially reduce isolation. It is important that those who have disabilities are involved in the design process, which will ensure it will be fit for purpose.

### 5. Health, Social Care and Housing Integration

This is an integration of initiative between Selby District Council, North Yorkshire County Council, Clinical Commissioning Group (CCG), housing and voluntary groups to streamline and provide consistency, promote customer independence and prevention work for the vulnerable. This will improve facilities for those who are vulnerable, by streamlining the processes the customer receive the support that they need.

All these actions above are high level and this Equality Impact Assessment has identified that these actions needed to be incorporated within the each project plan to ensure that we have created a positive impact for the communities.

**5. If you are **not** already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment.****

Date to scope and plan your impact assessment:

Date to complete your impact assessment	
Lead person for your impact assessment (Include name and job title)	

<b>6. Governance, ownership and approval</b>		
Please state here who has approved the actions and outcomes of the screening		
<b>Name</b>	<b>Job title</b>	<b>Date</b>

<b>7. Publishing</b>
<p>This Equality, Diversity, and community impact screening will act as evidence that due regard to equality and diversity has been given.</p> <p>If this impact assessment relates to a <b>Key Delegated Decision or Executive or full Council</b> or a <b>Decision</b> a copy should be emailed to Democratic Services and will be published along with the relevant report.</p> <p>A copy of <b>all other</b> Equality and Diversity and community impact assessments should be kept on the project file (but need not be published).</p>
<b>Date screening completed 20/08/2015</b>

# Selby District Council

## REPORT

Reference: E/15/16

Item 11 - Public



**To:** The Executive  
**Date:** 3 September 2015  
**Status:** Non key decision  
**Report Published:** 25 August 2015  
**Author:** Gillian Marshall, Solicitor to the Council  
**Executive Member:** Councillor Chris Metcalfe  
**Lead Officer:** Rose Norris, Executive Director

**Title:** Community Engagement Forums – review of arrangements and changes to the Constitution

### Summary:

This report summarises the findings of a review of the Community Engagement Forums and the minor constitutional changes to strengthen transparency and governance arrangements that will be proposed to Council at its meeting on 8<sup>th</sup> September.

### Recommendations:

- i. **To note and the proposed future arrangements for Community Engagement Forums and the arrangements for supporting them and the constitutional changes giving effect to the changes and to provide any comments prior to consideration by Council**

### Reasons for recommendation

To ensure that Council is provided with any comments the Executive wish to make before the matter is considered.

#### 1. Introduction and background

- 1.1 Since 2009, Community Engagement Forums (CEFs) have been a key part of the council's service delivery model and are therefore an integral part of the council's constitutional arrangements. As such, they are covered in Article 10 of the Constitution, Section 3.6 (Delegation of Functions), the Community

Engagement Procedure Rules and the Code of Conduct for members of the Community Engagement Forum Partnership Board .

- 1.2 Since the five Community Engagement Forums (CEFs) were rolled out in July 2009 they have been working with community groups across Selby District to increase their role in influencing and delivering local services. There are opportunities for the CEFs to develop further and deliver more in communities in line with the *stronger communities* agenda. Indeed, this is a key part of the Customer and Community model which Selby District Council is developing with North Yorkshire County Council.

## **The Report**

- 2.1 In October 2014 a CEF Design Group, a working group (made up of councillors, third sector partners and council officers), was set up to review the operation of CEFs in partnership with the third sector. The Design Group was set up to help shape the future of the CEFs and look at options for improving the governance arrangements which underpin the CEFs, given that the District Council is the accountable body. As part of the review process, the legal and constitutional issues were considered in detail in order to clarify the purpose and functions of the CEFs. The governance arrangements have been considered to ensure that any new arrangements are robust and provide a model for future development of the function.
- 2.2 The review noted the legislation regarding decision making by the Council was prescriptive and impacted on the desire to ensure that partners and communities engaged with CEFs and felt that they had a real opportunity to influence decision making at a local level. When the CEFs were set up, it was intended that any 'decisions' of the Partnership Board would be given effect by directors using delegated powers. However, over time the requirements for such decisions to be recorded has increased and the council needs to be able to demonstrate this delegated decision making in an open and transparent manner. In November 2014, wording was added to Part 3 of the re-drafted Constitution as an interim measure stating 'the CEFs should assess and make recommendations to the appropriate budget holder for the allocation of funds from the budget made available by the Council to each CEF'. This clarified that directors are responsible and accountable for the decision making process. The proposals now being considered move the Council from that interim position to a model with strengthened governance and accountability, more in line with the processes used to give effect to decisions of Local Enterprise Partnerships by their relevant accountable body.
- 2.3 Within the existing process there is limited guidance given to CEFs by the District Council on decision making, how funding is allocated, financial management and conflicts/disclosures of interest for the Partnership Boards.

The review also found that information for the public on the procedure for making funding applications, how applications will be assessed and how funding decisions are reached in an open and transparent manner was not readily available. The CEFs' individual Terms of Reference, funding guidelines and funding applications have been subject to individual changes by each Partnership Board leading to different processes depending on which CEF the application is made to. Whilst decisions should be led by local priorities, which will be different in different areas, it is not necessarily appropriate or transparent for different levels of funding to be available depending on where the application is made within the District and for there to be different rules on match funding and the funding of revenue and/or capital expenditure.

- 2.4 Under existing arrangements, support to the CEFs is devolved from the District Council and they are administered by the Third Sector. As a result, the administrators have not had access to specialist advisors on governance and meeting administration or had direct legal and financial advice on grant funding. This has caused some inconsistencies around the reporting of CEF recommendations and the transparency of decision making.
- 2.5 Two options for future working have been considered; a fully devolved model in which the District Council would commission the CEFs to deliver services and administer grants. In this model the CEFs would not be part of the decision making structure of the District Council and would not be covered by the Constitution of the Council. Control over the activities of CEFs and of their future development as well as their grant making would rely solely upon the contractual terms of the commission to them. Given that CEFs would administer the monies raised through Council Tax or received through grants made to the District Council it was felt that such a model did not give the District Council sufficient reassurance on the proper expenditure of this money. It may also result in inconsistencies in the level of engagement in each area.
- 2.6 The second option provides for the meeting administration to be undertaken by the District Council's own staff. The CEFs would continue to function as a consultative forum with a separate Partnership Board made up of Councillors and admitted co-opted partners working together. The Partnership Board would come to a view on a given matter and that view would be passed to an Authorised Officer to check that it complies with governance arrangements and legislation before being authorised. Governance, legal and financial expertise will be available directly to the Officer(s) responsible for overseeing the allocation of funding. The Third Sector will still be commissioned to provide support for Community Engagement but will not be required to deal with administration and governance.



- 2.7 To simplify the administration of the revised system it is proposed that the over-arching requirements and processes are the same across all CEFs. It was suggested by the review that the Council produces a comprehensive package of consistent resources, documents and guidance notes that will apply to all CEFs so that they are functioning under the same rules and guidelines and thus making access to funds fair across the district. This Toolkit has been developed by officers and includes Frequently Asked Questions sheets, a common application form and grant allocation framework, standard award letters and conditions and information on the monitoring of expenditure of delivery of expected benefits.
- 2.8 The Constitution states that the Council must establish and support no fewer than two CEFs. However, the CEF Procedure Rules currently provide that there may be 'as many CEFs as the Council will, from time to time, determine provided that every community in Selby District is included within a CEF area'. Having looked at options for either increasing or decreasing the number of CEFs (which could lead either to capacity issues or extremely large areas) it is considered that a five CEF model should be retained for the time being within Selby District as it balances the need for resilient local decision making with more community-level identity and delivery. However as a result of the ward changes from the 2015 elections, the current CEF boundaries have been amended, e.g. the new Appleton Roebuck and Church Fenton ward will necessitate Church Fenton leaving its current grouping with the Eastern CEF villages.
- 2.9 The preferred option requires minor changes to the constitution. Revised drafts of Article 10 (Community Engagement forums, Part 3.6 Delegation of Functions to CEFs), Community Engagement Procedure Rules and Code of Conduct for members of the CEFs are attached as Appendix A-D. These appendices take account of the views of the CEF Design Group and were considered by Audit and Governance Committee as part of their consideration of changes to the Constitution in June and July 2015. Audit and Governance Committee resolved as follows:-

*To recommend to Council that the amendments to the Constitution relating to Community Engagement Forums, as outlined in report A/15/6, are approved subject to the following:*

- (i) To require Officer participation at the first meeting of each Community Engagement Forum Partnership Board following any changes to the Constitution and procedures;*
- (ii) To remove North Yorkshire Police and North Yorkshire Fire and Rescue from the list of Statutory Partners under rule 1.2 of the Community Engagement Forum Procedure Rules (Appendix C of the report);*
- (iii) The Executive be asked to consider, as part of the future budget setting process, the implications of revising the funding structure to reflect the size of the electorate in each CEF area;*

- (iv) *To note the proposed improvements to the administration of Community Engagement Forums, in particular that the distribution of agenda and reports to Councillors will be brought into line with existing arrangements and timescales for other Council meetings and committees; and*
- (v) *To delete paragraph 4 of section 3 in the Code of Conduct for Members of the Community Engagement Forums, which starts "If the views of individuals on the CEF..."*

The drafts provided for consideration with this report reflect resolutions (ii) and (v).

In addition one minor change has been made to the CEF procedure rules since they were considered by Audit and Governance Committee to change the wording for consistency purposes to confirm that CEFs review applications to the CEF Community Fund and make requests for grants to be administered according to the application criteria and governance arrangements

### **3. Legal/Financial Controls and other Policy matters**

#### **Legal Issues**

- 3.1 Strengthened governance arrangements reduce the risk of legal challenge.

#### **Financial Issues**

- 3.2 Changes to CEF administration are contained within existing budgets.

#### **Impact Assessment**

- 3.3 The changes have been screened for impact and are considered to have a positive impact in increasing equal access to funding.

### **4. Conclusion**

- 4.1 That Executive should consider the proposals and provide any comments for Council to consider alongside the report to them.

### **5. Background Documents**

*None*

*Contact Officer:*

*Gillian Marshall  
Solicitor to the Council  
Selby District Council  
gmarshall@Selby.gov.uk*

**Appendices:**

Appendix A - Proposed Article 10

Appendix B – Proposed delegation of functions

Appendix C – Proposed CEF Procedure Rules

Appendix D – Proposed Code of Conduct

## **Article 10 – Community Engagement Forums**

### **10.1 Community Engagement Forums (CEFs)**

The Council will establish and support no less than 2 Community Engagement Forums.

### **10.2 Composition**

Community Engagement Forums will be public meetings held periodically in each CEF area to discuss issues affecting that area.

Community Engagement Forum Partnership Boards will comprise all district ward councillors from the area concerned, statutory partners and co-opted members as defined in the CEF Procedure Rules.

The CEF Chair will be appointed by the Council as provided for in the CEF Procedure Rules. He/she need not be a member of Council and will automatically become a member of and Chair of the Partnership Board.

Each CEF Partnership Board shall appoint a Vice-Chair from amongst the members of the Partnership Board as provided for in the CEF Procedure Rules. The Chairman of Council, the Leader and Executive members shall not be appointed as CEF Chairs or Vice Chairs.

### **10.3 Role and Function**

- (a) To provide an opportunity to raise, discuss and consider matters related to the well-being of the CEF's area, particularly, but not exclusively, those matters which are the responsibility of the local government authorities, their partner organisations and other organisations who provide services partly or wholly funded by public funds.
- (b) To assist in the planning and monitoring of local services.
- (c) To enable decision-making to be taken at a local level where this is practical and effective and in accordance with the scheme of delegation.
- (d) To assess and make recommendations to the appropriate budget holder for the allocation of funds from the budget made available by the Council to each CEF.
- (e) To develop, monitor and maintain the area Community Development Plan.
- (f) To support communities in their implementation of the Community Development Plan and solutions to issues and topics of local concern.

- (g) To contribute to the achievement of the aims and objectives of the Selby and North Yorkshire Strategic Partnership and the development and delivery of the Selby District Sustainable Community Strategy.

#### **10.4 Conduct**

The members of the CEF shall conduct themselves in accordance with the provisions of the Code of Conduct for Councillors or the Code of Conduct for Members of the CEF attached at part 5 of the Constitution as applicable under the CEF Procedure Rules.

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## **PART 3.6 - Community Engagement Forums**

### **1 Purpose**

To provide a forum to raise, discuss and consider matters related to the well-being of the Forum's area, particularly, but not exclusively, those matters which are the responsibility of the local government authorities, their partner organisations and other organisations who provide services partly or wholly funded by public funds.

### **2 Membership**

All Selby District ward councillors for the Forum area.

Representative of Statutory Partners as defined in the CEF Procedure Rules including all North Yorkshire County Councillors for the relevant division covering the CEF area.

Up to 4 co-opted representatives from town and parish councils in the Forum area (or such other number as the CEF shall determine save that the total number of co-opted members may not exceed 8)

Up to 4 co-opted other members who are community representatives (or such other number as the CEF shall determine save that the total number of co-opted members may not exceed 8)

### **3 Functions**

- (a) To provide an opportunity to raise, discuss and consider matters related to the well-being of the CEF's area, particularly, but not exclusively, those matters which are the responsibility of the local government authorities, their partner organisations and other organisations who provide services partly or wholly funded by public funds.
- (b) To assist in the planning and monitoring of local services.
- (c) To enable decision-making to be taken at a local level where this is practical and effective and in accordance with the scheme of delegation.
- (d) To assess and make recommendations to the appropriate budget holder for the allocation of funds from the budget made available by the Council to each CEF.
- (e) To develop, monitor and maintain the area Community Development Plan.
- (f) To support communities in their implementation of the Community

Development Plan and solutions to issues and topics of local concern.

- (g) To contribute to the achievement of the aims and objectives of the Selby and North Yorkshire Strategic Partnership and the development and delivery of the Selby District Sustainable Community Strategy.

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## **COMMUNITY ENGAGEMENT FORUM PROCEDURE RULES**

### **1. Community Engagement Forums (CEFs)**

#### **1.1 Structure of CEF Meetings**

CEF meetings will be structured in accordance with procedure rules a and the agreed arrangements shall provide for:

(a) A Community Forum:

- The opportunity for all residents of the CEF area to raise concerns about public services provided by any public body having an influence on the quality of life of those living and working in the area.
- A means of holding to account those who provide services in the name of the community.
- A means of influencing the future shape of service delivery.
- An opportunity for direct involvement in the provision of services and facilities for the benefit of the area.
- A means of determining the use of and monitoring of the Community Fund.
- A means of sharing information and gathering the views of the community.

(b) Business Sessions (the Partnership Board):

The Partnership Board will be responsible for:

- Setting the timetable of meetings having regard to the need to include Community Sessions.
- Making recommendations arising from issues discussed at CEF meetings to the Council and to partners.
- Developing, monitoring and maintaining the Community Development Plan for each CEF Area identifying and mitigating any risks.
- Reviewing applications for the Community Fund and voting on recommendations for grants to be administered in accordance with agreed criteria and governance arrangements.
- Reporting annually to the Council on The Community Development Plan and progress against it.

#### **1.2 The Statutory Partners**

The following statutory bodies have agreed to support CEFs in delivering a partnership response to community concerns:

- Selby District Council
- North Yorkshire County Council



and all North Yorkshire County Councillors from divisions covering areas contained within the CEF and such representatives of the other bodies as are notified from time to time by each partner are co-opted onto the CEF as Statutory Partners.

### **1.3 Co-opted Members**

In addition to the statutory partners listed in paragraph 1.2 there will be up to 8 admitted partners with voting rights on the Partnership Board. Normally the 8 would comprise up to 4 town or parish council representatives and up to 4 other community representatives co-opted by the Partnership Board, but the Partnership Board shall be free to determine a lower number if it sees fit.

### **1.4 Number and coverage of CEFs**

There shall be as many CEFs as the Council will, from time to time, determine (currently 5 CEFs) provided that every community in Selby District is included within a CEF area.

### **1.5 Appointment of Chair and Vice-Chair**

The Council will appoint a Chair for each CEF who will hold office for the municipal year. The Chair must be a member of the CEF (either a Councillor, a Statutory partner or a Co-opted Member

Each CEF Partnership Board will appoint a Vice-Chair who will hold office for the municipal year.

If a CEF Chair or Vice-Chair ceases to be eligible to hold office, the Council shall appoint a new Chair or the CEF Partnership Board shall appoint a new Vice-Chair at its next meeting.

The Chairman of the Council and any member of the Executive shall not be appointed Chair or Vice-Chair of any CEF during his/her period of office.

In the absence of the Chair the Vice-Chair will preside. In the event of the Chair and Vice-Chair not being present, members of the Partnership Board who are present at the meeting will elect a Chair for the meeting.

### **1.6 Meetings of Community Engagement Forums**

#### **(a) Frequency**

Each CEF Partnership Board will draw up a schedule of meetings for the year ahead for approval by the Council and incorporation into the Schedule of Meetings for the start of each municipal year.

#### **(b) Venue**

The Council will make available premises for each CEF meeting and will take all reasonable steps to make sure that the venue is as accessible as possible for everyone who wishes to attend the meeting. Wherever practicable, meetings will take place at venues within the CEF area.

(c) **Agenda**

Notice will be given of the time and place of any meeting in accordance with the Access to Information Procedure Rules.

**1.7 Attendance of non-members of CEFs**

All councillors shall be entitled to attend the proceedings of any CEF and Partnership Board.

Councillors who do not represent an area within the CEF shall not vote and may only speak with the consent of the Chair.

**1.8 Confidentiality**

Reports to the Partnership Board which are not for publication under the Access to Information Procedure Rules on the grounds they contain confidential or exempt information shall be treated as confidential and shall not be disclosed by a Partnership Board member .

**1.9 Minutes of Community Engagement Forum and Partnership Board meetings**

(a) **Approval**

Minutes of all CEF and Partnership Board meetings will be approved by the Partnership Board and signed as a correct record.

(b) **Accuracy**

Only the accuracy of the minutes may be questioned and an amendment put forward to propose a change of wording.

**1.10 Councillors' Conduct**

Councillors must conduct themselves at CEF meetings in accordance with the Code of Conduct for Councillors attached at Part 5 of the Constitution.

**1.11 Conduct of Statutory Partners and Co-opted Members**

Statutory Partners and Co-opted Members must conduct themselves in accordance with the Code of Conduct for Members of the CEF attached at part 5 of the Constitution.

### **1.12 Quorum**

Meetings of the Partnership Board will be quorate if there is not less than one third of voting members present.

### **1.13 Method of Voting**

Each voting member of the Partnership Board will have an equal vote. Voting shall be by a show of hands and matters will be decided by a majority decision of those present and voting in the room.

All voting procedures shall be in accordance with Rule 19 of the Council Procedure Rules.

# **CODE OF CONDUCT FOR MEMBERS OF THE COMMUNITY ENGAGEMENT FORUMS**

## **PART 1 - GENERAL PROVISIONS**

### **1. Scope**

A Statutory Partner or Co-opted Member of the CEF must observe this Code of Conduct whenever he/she:

- (i) conducts the business of the CEF;
- (ii) acts as a representative of the CEF.

Where a Member of the CEF acts as a representative of the CEF from another relevant body, he/she must, when acting for that other body, comply with that other body's Code of Conduct.

### **2. When the Code applies**

This Code of Conduct shall not have effect in relation to the activities of a Member of the CEF undertaken other than in an official capacity.

### **3. General Obligations**

As a CEF Member it is important that you recognise from the outset that you are required to play a role in your community. This means not simply offering your own views and opinions on local issues, or taking decisions that are based on your own self-interest.

The role of CEF Member is one that requires you to represent the views of your community, or your section of the community. In practice, this will involve discussing issues with people in the community to clarify their views and assess the strength of their feelings on different topics.

At some point it may be that you will find some conflict between your own personal views and interests and those of the community that you are representing. If such a situation does arise, make sure that the views of the community take precedence.

In some instances, it may be necessary and appropriate to declare an interest in the matter under discussion and to withdraw from that debate and decision-making. This will be the case where a reasonable member of the public, in full knowledge of relevant facts would be likely to conclude that your private interests are such that you cannot act in the public interest.

This Code of Conduct is based upon the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

In undertaking your duties as a member of the CEF

1. You must not behave in a way that a reasonable person would regard as disrespectful to them.
2. You must not bully or intimidate or attempt to bully or intimidate any person.
3. You must not do anything which compromises or is likely to compromise the impartiality of anyone who works for or on behalf of the Council.
4. You must not bring the Council, or your office as a CEF Member, into disrepute.
5. You must not do anything which may cause the Council to breach any equality enactment
6. You must not use or attempt to use your position as a CEF Member improperly to confer on or secure for yourself or any other person any advantage or disadvantage.
7. You must always use the resources of the Council in accordance with the Council's reasonable requirements and never use those resources for political purposes.
8. If, because of your membership of the CEF, you are in receipt of or are offered any gift or hospitality with an estimated value of £50 or more you must decline to accept any such gift or hospitality which could reasonably be perceived as creating an obligation upon the Council, or upon yourself as a member of the CEF.
9. You must not knowingly prevent, or attempt to prevent, another person from gaining access to information to which they are entitled by law.
10. You must not disclose information which is given to you in confidence, or information which you believe or ought reasonably to be aware is of a confidential nature, unless:
  - You have the consent of a person authorised to give it; or
  - You are required by law to do so; or
  - The disclosure is made to a third party for the purpose of obtaining professional advice, provided that the third party agrees not to disclose the information to any other person; or
  - The disclosure is reasonable, in the public interest, made in good faith, and made in compliance with the reasonable requirements of the Council.

#### **4. Respect and Courtesy**

For the effective conduct of the CEF's business there must be mutual respect, trust and courtesy in all meetings and contacts, both formal and informal, between Members of the CEF and officers of the council and partner organisations. This too plays a very important part in the CEF's reputation and how it is seen in public. It is very important that both Members of the CEF and officers remember their respective obligations and to do what they can to avoid criticism of other Members of the CEF, or other officers, in public places.

#### **5. Discrimination**

No CEF member will discriminate on any ground against any other member of the group or the public, in line with the Equalities Act 2010. Discriminatory language will not be used in discussions. All those who attend meetings have the right to be treated with dignity and respect, regardless of their race, colour, ethnic or national origins, nationality, gender, marital status, age, sexuality, religion or any other matter

#### **6. Role of the Chair**

In Partnership Board meetings the role of the Chair is a *formal* one, all speakers will be expected to address their comments to the Chair. This helps the Chair to keep control of the discussion.

In Community Sessions, where proceedings need not be so formal, the Chair may be content simply to steer the general direction of the discussion – this may be described as an *enabling* role.

The Chair is expected to know the rules by which the CEF functions, and ensure that at all stages of its work the CEF is operating in accordance with any procedures that are set down. In this context the Chair may be called upon to act as an arbiter when there is a disagreement about how the rules should be interpreted.

#### **7. Breach of Code of Conduct**

During the meeting if any member breaches the Code of Conduct they will be warned by the Chair, if this behaviour continues they will then be asked to leave the meeting.

If the member continues to breach the Code of Conduct or the behaviour is deemed serious enough then they may be asked not to attend the meetings until such time that they agree to abide by the code.

#### **5. Conclusion**

It is hoped that, by following good practice and securing sensible and practical working relationships between Members of the CEF and others, we

can provide one of the cornerstones of a successful public Community Engagement Forum.

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# Selby District Council

## REPORT

Reference: E/15/17

Item 12 - Public



**To:** The Executive  
**Date:** 3 September 2015  
**Status:** Non key Decision  
**Report Published:** 25 August 2015  
**Author:** Keith Dawson, Director  
**Executive Member:** Cllr Mark Crane  
**Lead Officer:** Keith Dawson

**Title:** York, North Yorkshire and East Riding (YNYER) Spatial Plan

### Summary:

A non-statutory, Spatial Plan for the York, North Yorkshire and East Riding sub-area has been developed by the local authorities and the Local Enterprise Partnership. This is based on the content of the local authorities' current and emerging Local Plans and the Strategic Economic Plan.

### Recommendation:

- i. **To endorse the York, North Yorkshire and East Riding (YNYER) Spatial Plan**

### Reasons for recommendation

To seek support for the York, North Yorkshire and East Riding Spatial Plan.

#### 1. Introduction and background

- 1.1 Work was undertaken during late 2014 on a baseline position from which to develop a non-statutory, Spatial Plan for the York, North Yorkshire and East Riding sub-area.
- 1.2 Chief Executives subsequently gave their support to the further preparation of the Spatial Plan and tasked the YNYER Directors of Development with progressing it.
- 1.3 Building upon the foundation work undertaken late last year, the Directors of



Development commissioned O'Neill Associates to support this work funded through contributions from each local authority.

- 1.4 The Spatial Plan was presented to LGNY Y Leaders and to the YNYER LEP Board for formal endorsement in July 2015.

## **2. The Report**

- 2.1 The Directors of Development commissioned O'Neill Associates to draft a Spatial Plan in 2014. The aim was to pull together and set out the key spatial implications of the Strategic Economic Plan for the LEP area.

- 2.2 Preparation was based on a desk top review of the Strategic Economic Plan, a workshop with local authority staff, and discussions with adjoining LEPs. The Spatial Plan aims to support the delivery of sustainable development, and will help to enable housing and economic growth across the YNYER area. It aims to fulfil a number of purposes:

- To set out an agreed overall planning strategy to support, speed-up and enhance the delivery of Local Enterprise Partnership (LEP) Strategic Economic Plans; and to provide a strategic framework to help support bids for external funding for infrastructure in support of growth
- To assist local authorities in relation to implementing and evidencing the Duty to Cooperate in plan-making by guiding and targeting issues of cross boundary significance.
- To identify the strategic focus for growth and investment across the area to help prioritise future investment and inform the strategic fit of proposals.

- 2.3 The Spatial Plan builds on earlier work that identified the key spatial implications of the LEPs Strategic Economic Plan and adds more specific content on priorities from current and emerging Local Plans. It largely reflects existing and emerging planning policy across the sub-area and provides a coherent framework within which infrastructure investment decisions to support growth can be assessed and prioritised, and the wider needs and opportunities of the YNYER area can be articulated.

- 2.4 Whilst it does not set new planning policy, it will be helpful in evidencing inter-authority collaboration in relation to the Duty to Cooperate as local planning authorities take their Local Plans to examination. It will also help to support bids for external funding to facilitate growth.

- 2.5 Enabling economic growth is central to the Plan. It sets a Core Aim:

- 2.6 *The Spatial Plan seeks to co-ordinate plans and planning/investment decisions in the York, North Yorkshire and East Riding area to support sustainable growth by focusing and delivering strategic development and infrastructure to deliver:*

- i. Distinctive and successful cities, towns, rural and coastal areas*
- ii. A high quality living and business environment*
- iii. More inclusive and sustainable communities.*

- 2.7 The Spatial Plan sets out priorities for action in relation to the three identified Strategic Economic Plan geographic priority areas of the A1/A19 Growth Corridor; the Yorkshire Coast; and the Dales, Moors and Wolds.
- 2.8 Selby district is well represented as part of the A1/A19 Growth Corridor, with Selby identified as one of 10 Growth Towns across the region and Olympia Park one of 5 Strategic Sites. Drax is identified as a key growth driver and a key opportunity for carbon capture & storage, and the rail head at Potters recognised as providing direct rail access to the port of Felixstowe, and a priority is to safeguard and realise the benefits of this asset. On-going upgrades to the A1 and improving key links to the A1 at Sherburn in Elmet to A63/A1 are also identified as a priority.
- 2.9 The Spatial Plan reflects current planning policy across the YNYER area as set out within existing and emerging Local Plans, the LEP SEP, and sub-regional Housing and Local Nature Partnership strategies. It does not set further targets for housing or employment development over and above those set out by partner local authorities within their Local Plans.
- 2.10 However, there is scope for the Spatial Plan to continue to evolve in the future in order that it can begin to provide a more robust framework for influencing and shaping future planning policy with a view to unlocking growth opportunities across the sub-region through a genuinely collaborative and strategic approach.
- 2.11 Chief Executives have tasked the YNYER Directors of Development group with scoping-out, and reporting back upon, the issues and options for the further evolution and development of the Spatial Plan prior to any such further work being undertaken.

### **3. Legal/Financial Controls and other Policy matters**

#### **3.1 Legal Issues**

3.1.1 Contained in report.

#### **3.2 Financial Issues**

3.2.1 The fee is £14,625 in total exc expenses at cost and VAT divided as follows:

<b>Partner</b>	<b>Individual Contribution (£)</b>	<b>Aggregate Total (£)</b>	<b>Individual Proportion (%)</b>	<b>Aggregate Proportion (%)</b>	<b>Cumulative Total (£)</b>
YNYER LEP	2, 625	2, 265	18%	18%	2, 625
NYCC	1,500	1,500	10%	10%	4,125

Districts x7	1,000	7,000	7%	49%	11,125
CoY	1,500	1,500	10%	10%	12,625
ERYC	1,000	1,000	7%	7%	13,625
Nat Parks X2	500	1,000	3%	6%	14,625
				100%	<b>14,625</b>

3.2.2 Selby's contribution of £1k will be met from existing budgets.

### **3.3 Impact Assessment**

3.3.1 As set out in the report.

## **4. Conclusion**

4.1 This report sets out the progress on developing a non-statutory Spatial Plan for the York, North Yorkshire and East Riding sub-area and seeks support for the Spatial Plan.

## **5. Background Documents**

None

Contact Officer:  
Keith Dawson  
Director  
Selby District Council  
kdawson@Selby.gov.uk

### **Appendices:**

York, North Yorkshire and East Riding Spatial Plan (July 2015)

**YORK, NORTH YORKSHIRE  
& EAST RIDING  
  
SPATIAL PLAN**

**July 2015**

# CONTENTS

**Section 1:** Introduction

**Section 2:** Context

**Section 3:** Wider Connections

**Section 4:** Growth Focus

**Section 5:** Better Connectivity

**Section 6:** Strong Centres

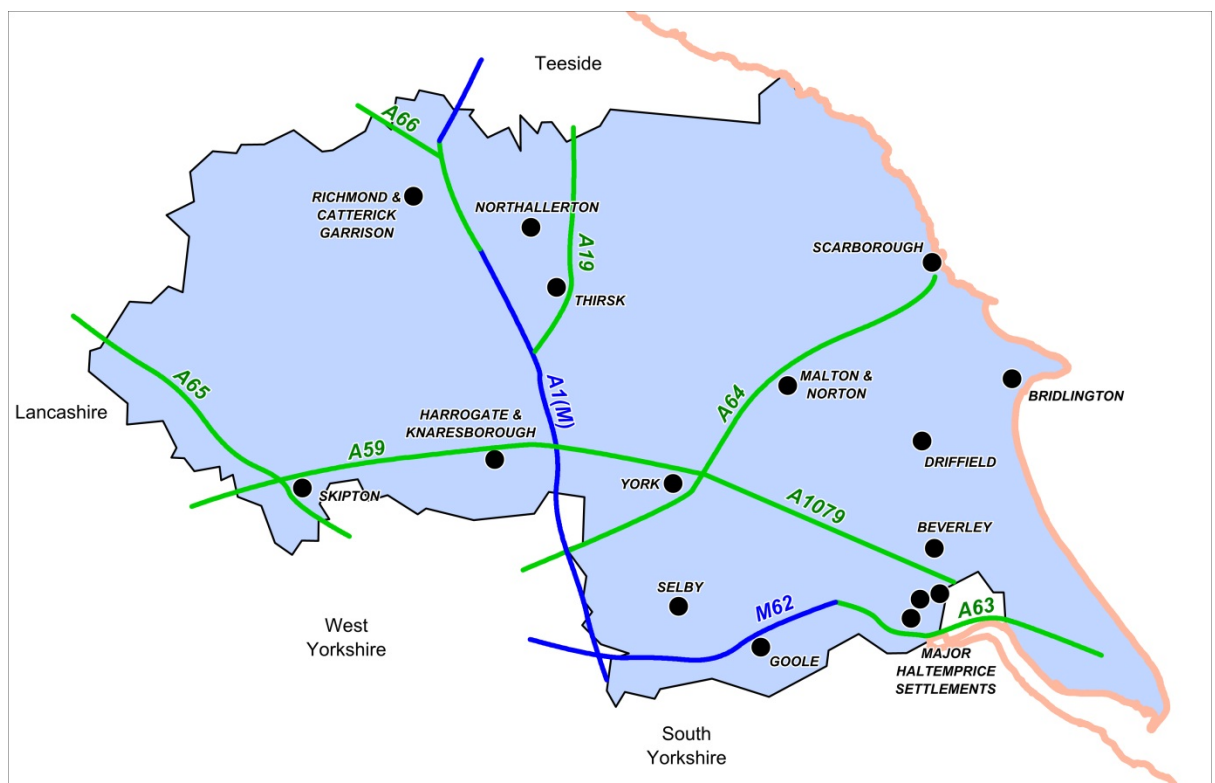
**Section 7:** Employment Growth

**Section 8:** Housing Growth

**Section 9:** SEP Geographic Priority Areas

## 1. INTRODUCTION

- 1.1 The York, North Yorkshire and East Riding (YNYER) area is a large geographic area with a distinctive character that includes urban centres, market towns, coastline and countryside. With two National Parks, three Areas of Outstanding Natural Beauty, historic cities and towns, a heritage coast and extensive countryside, it is one of the most beautiful and varied parts of the country.
- 1.2 Great places, landscapes and environments contribute to a good quality of life and attractive working environment. The YNYER area has a population of over 1.1m and covers over 3,000 square miles.



- 1.3 A significant presence of small and micro businesses and world leading high growth businesses and research institutions provide strong foundations for economic growth. Parts of the YNYER are amongst the most affluent in the country. However areas of deprivation, low wages and skills, and relatively high unemployment raise significant challenges.
- 1.4 Alongside this, an ageing population, the outward migration of young people and high house prices present particular issues for a large and extensively rural area. Some parts of the YNYER area benefit from excellent national transport connections, other parts are more remote and peripheral, whilst urban areas face particular pressures of congestion.
- 1.5 This Spatial Plan supports the delivery of sustainable development. It is a non-statutory planning framework focussed on cross boundary issues and strategic priorities for the location of new development and provision of infrastructure.

## **Core Aims**

**The spatial plan seeks to co-ordinate plans and planning/investment decisions in the York, North Yorkshire and East Riding area to support sustainable growth by focusing and delivering strategic development and infrastructure to deliver:**

- i. Distinctive and successful cities, towns, rural and coastal areas**
- ii. A high quality living and business environment**
- iii. More inclusive and sustainable communities**
- iv. Improved connectivity within and beyond the area**

## 2. CONTEXT

2.1 The National Planning Policy Framework (NPPF) identifies three **roles for planning**:

- An **economic** role – contributing to building a strong, responsive and competitive economy, by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation; and by identifying and coordinating development requirements, including the provision of infrastructure.
- A **social** role– supporting strong, vibrant and healthy communities, by providing the supply of housing required to meet the needs of present and future generations; and by creating a high quality built environment, with accessible local services that reflect the community’s needs and support its health, social and cultural well-being; and
- An **environmental** role – contributing to protecting and enhancing our natural, built and historic environment; and, as part of this, helping to improve biodiversity, use natural resources prudently, minimise waste and pollution, and mitigate and adapt to climate change including moving to a low carbon economy.

2.2 These roles are mutually dependent and to achieve sustainable development, economic, social and environmental gains should be sought jointly and simultaneously through the planning system. The Localism Act 2011 introduced a **Duty to Co-operate**, which places a legal duty on local planning authorities, county councils in England and public bodies to engage constructively, actively and on an ongoing basis to maximise the effectiveness of Local and Marine Plan preparation. Local planning authorities are required to make every effort to secure the necessary cooperation on strategic cross boundary matters.

### A Strategic Spatial Plan

2.3 Collaborative working across boundaries can for some issues deliver more than can be achieved through local approaches. Inherent to this spatial plan is a focus on the ‘strategic’ as opposed to ‘local’, which means that the spatial plan concentrates on:

**Table 1: Strategic Focus of the Spatial Plan**

1.	Roles and relationships between places/areas in different local planning authority areas.
2.	The focus of and emphasis on delivering growth.
3.	Common issues that will have a significant cumulative effect across large parts of the plan area so that co-ordinated actions/policies are needed to address the implications for growth
4.	Improving connectivity within and beyond the area
5.	Connectivity between growth towns – network of places
6.	Unlocking growth of a town/settlement/area – as opposed to unlocking development of a site
7.	Opportunities to deliver a more efficient use of infrastructure and to achieve a greater overall level of improvement by taking a co-ordinated approach to the location and delivery of development and infrastructure



2.4 Statutory planning in the YNYER area takes place through the preparation of Local Plans and decisions on planning applications made by district, unitary and national park authorities. This spatial plan reflects the priorities of existing and emerging Local Plans, the Strategic Economic Plan and Housing Strategy for the YNYER area. Many of the conditions and issues that will affect the achievement of sustainable growth operate above local authority boundaries. An agreed overall planning strategy, with shared outcomes and clear strategic priorities, enables greater coordination and prioritisation for local planning and identifies how the YNYER area as a whole can contribute to driving national growth.

### Northern Powerhouse

2.5 The YNYER area has a key role to play in linking and realising the potential of the three regional economies of the North West, North East and Yorkshire and the Humber. This influence includes being one of the best places to live in the UK, the presence of national heritage and environment assets and the many main national transport links running through the area. The vision for establishing the North of England as a global economic powerhouse aims to connect the six northern City Regions of Liverpool, Manchester, Sheffield, Newcastle, Leeds and Hull (areas in the YNYER area also form part of the latter two city regions). As an important economic area in its own right and as a link between the city regions the YNYER area will be influential in achieving a transformation of northern connectivity and the North's economy. This spatial plan sets out key priorities as to how and where the YNYER area will contribute to this growth.

### Strategic Economic Plan

2.6 Planning across YNYER has a key role to support, speed up, co-ordinate and enhance the delivery of the Strategic Economic Plan (SEP) for the Local Enterprise Partnership (LEP) for York, North Yorkshire & East Riding. The SEP sets out the LEP's vision to make the area the place in England to start or grow a business, combining a quality business location with a great quality of life. Four ambitions and five priorities underpin the delivery of this vision:

<b>Ambitions</b>	<b>Priorities</b>
Create 20,000 jobs and deliver £3 billion growth	Profitable and ambitious small and micro businesses
Double housebuilding rates	A global leader in food manufacturing, agritech and biorenewables
Enable every student to be connected to business	Inspired people
Connect the east and west of our region	Successful and distinctive places A well connected economy

2.7 The SEP responds to the particular opportunities, needs and challenges facing the area. So for this part of the world this means that:

- Job creation and business growth requires a focus on realising the potential of many small and micro businesses
- Our international reputation and strengths in the food manufacturing, agritech and bio-renewables sectors need to be capitalised on
- Great places - historic cities and towns, rural and coastal areas - are integral and vital to our economy
- The natural and built environment underpins large parts of our economy and shapes our national and international profile
- The availability of the right type of housing, which is affordable, is crucial to recruitment and maintaining a strong labour supply
- Commuting patterns and an ageing population are shaping the demand for homes
- Our transport networks should enable businesses to move their goods and people around reliably and efficiently
- Growth and development will require the supply of minerals and other raw materials and the provision of waste management infrastructure
- Communication connectivity can improve access to markets and facilitate business growth, particularly in more remote areas

### Housing Strategy

2.8 The demand for new homes in many parts of the YNYER is strong and the appeal of the area can result in supply falling behind demand, a limited range of tenures and high prices. The Housing strategy for YNYER, reflecting adopted and emerging Local Plans, sets priorities for housing and growth from 2015 to 2021. The housing strategy's vision is to enable more new homes and for all housing to be of a quality, type and size which meets the needs of our urban, rural and coastal communities and supports economic growth. A responsive and balanced housing market supports local economic vitality and long term economic growth by helping to maintain a local labour supply and supporting sustainable communities. The SEP aims to double house-building (compared to 2012-14 build rates) and triple the delivery of affordable housing.

Increase supply of good quality new housing across all tenures & locations.	Positive impact on health & well being.
Ensure that our housing stock reflects the needs of communities.	Continue to reduce homelessness.
Meet the diverse needs of all communities at all stages of their lives.	Allocate housing fairly & on need.
Ensure good design & environmental quality.	Provide housing for specific needs.
Make best use of our existing stock.	

## Environmental and Health Strategies

2.9 The role of the environment and the health and well-being of communities and individuals in YNYER is crucial to achieving sustainable growth. The environment and the goods and services that it supports are a key asset:

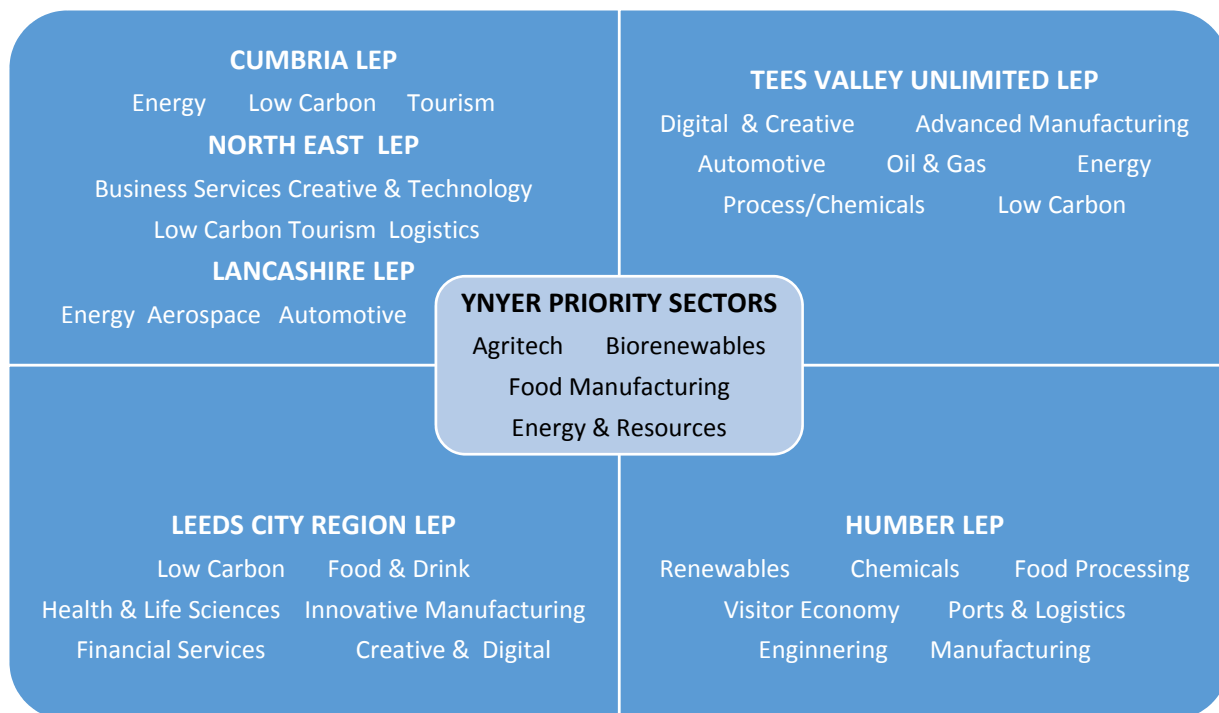
- The vision of the NY & Y Local Nature Partnership (LNP) is “to see the natural environment of North Yorkshire and York conserved, enhanced and connected for the benefit of wildlife, people and the economy” and the Hull and East Riding LNP aims to create a resilient ecological network across the area by working at a landscape scale
- Health and well-being strategies recognise the intrinsic links between health, the economy, living environments, housing conditions and sustainable communities

### 3. WIDER CONNECTIONS

- 3.1 The YNYER area is one of the largest economies by land area in England. It brings together a predominantly rural area bordering West Yorkshire and the Humber areas to the south, central Lancashire to the west and the Tees Valley to the north. From Skipton and Settle in the west to Scarborough, Whitby and Bridlington in the east – and from Selby and Goole in the south to Richmond and Northallerton in the north – the YNYER area has many inter-linkages with adjoining areas.
- 3.2 The southerly parts of the YNYER area cover the districts of Craven, Harrogate, Selby and City of York, all of which also form part of the Leeds City Region. To the south and east, the East Riding extends from north of the Humber estuary to Bridlington and also forms part of the Humber LEP area. Further north the connections to the Tees Valley and North East become stronger with the North Yorkshire Districts of Hambleton, Richmondshire, Ryedale and Scarborough. To the west the area links with both Cumbria and Central Lancashire.

#### Economic Links

- 3.3 Realising the YNYER area's economic growth potential requires wide-ranging collaboration and co-operation at different geographic scales. At an international scale links between industry and research create major export opportunities - the University of York and the Food & Energy Research Agency (FERA) have a major international presence. The BioVale initiative involves collaboration with the French Industries and Agro-Resources Cluster (IAG). At a national scale the National AgriFood Innovation Campus has the potential to be at the core of a national catalyst programme and exemplar catapult centre.
- 3.4 There are strong labour market linkages with neighbouring areas. For example there is significant two way commuting between Leeds and York and Harrogate, between the East Riding and Hull and between towns to the north of the YNYER area and the urban areas of the Tees Valley. Managing development pressures, providing affordable and market housing, achieving urban regeneration and housing market renewal and managing commuting patterns requires joined up working with neighbouring areas.
- 3.5 The Strategic Economic Plans for the neighbouring LEP areas include a focus on particular economic sectors which are set out in the following diagram. For example, there are important links with
- The movement of raw materials (such as food, bio-fuels and potash) from the LEP area to the chemicals and energy industries in the Humber and Tees Valley
  - The supply of people for more labour intensive activities
  - The Humber and Tees ports providing an important import/export gateway for local businesses
  - Common key sectors providing opportunities for collaboration and innovation



### Transport Links

- 3.6 Many of the main national and northern transport links run into and through the YNYER area. Running north-south through the area are the A1(M) between South Yorkshire and Durham and the A168/A19 corridor linking the Tees Valley city region and Teesport to the motorway network. The East Coast Mainline (ECML) – the main north-south rail route - passes through the area from Doncaster and Leeds to Darlington with mainline stations at York, Thirsk and Northallerton. ECML services currently run beyond Leeds to serve Harrogate and Craven. The ECML provides key links to London, the North East and Scotland. York and Leeds will be gateways to the planned HS2 network.
- 3.7 To the south of the YNYER area, the M62/A63 provides good access to the Humber Ports and economic and enterprise zone opportunities centred on the Humber Estuary. The Humber is the UK’s busiest port complex by tonnage and Goole is rapidly expanding to become the county’s leading in-land port. The rail head at Selby also enables rail access to Felixstowe. The Transpennine rail service links Hull, York, Selby and Scarborough with Leeds, Manchester, Manchester airport, Liverpool and the North West. These east-west transport connections form part of one of Europe’s main transport corridors linking the west coast of Ireland, through northern England to Scandinavia, the Baltic and Russia. Cross country rail services provide links to Sheffield, Nottingham, Derby, Birmingham and the south west.
- 3.8 From Scotch Corner the A66 provides a major east-west link providing key links from the YNYER area and the Tees Valley to Cumbria and Scotland. Strategic road and rail connections link the YNYER area with a number of international airports including Newcastle and Durham Tees Valley airports to the north, Leeds Bradford, Humberside and Robin Hood Doncaster Sheffield airports to the south and Manchester to the west.

### **Housing Markets**

- 3.9 There are larger housing market areas with YNYER and smaller local housing market areas within them. Housing markets often have dual characteristics. They can function over a wider area, with household migration and commuting areas extending into the West Yorkshire, Tees Valley and Hull/Humber conurbations, and on a wider scale, they can attract people (often retirees) from the south east and other affluent areas. At a more local level housing markets link smaller and rural communities to local service centres and employment.

### **Environmental Assets**

- 3.10 National Parks, Areas of Outstanding Natural Beauty (AONBs), Heritage Coasts, rural hinterlands, waterways and urban green networks are all key economic, social and environmental assets for YNYER area, surrounding areas and for the nation. Attracting businesses, investors, tourists and visitors is highly dependent on a high quality and thriving natural environment. England's national parks are a very significant contribution to our economy, society and identity. As well as attracting national and international visitors the rural parts of the YNYER area provide an important recreational resource for people living in the adjoining urban areas.

## 4. GROWTH FOCUS

### Our priorities:

1. **To focus and realise the benefits of significant development in towns and cities and investment opportunities in major transport corridors**
2. **To transform economic, environmental and social conditions in coastal settlements as priority areas for regeneration**
3. **To meet local needs and support the long-term sustainability of communities in remoter rural and coastal areas**
4. **To support the regeneration of urban areas in adjoining city regions**

4.1 Focussed and co-ordinated patterns of growth and movement will be essential to ensure that the overarching priority to achieve sustainable growth will be achieved. This requires a spatial approach that manages relationships between different areas across boundaries both within and beyond the YNYER area. Within the area there are three geographic areas identified in the SEP that provide a focus for managing growth.

4.2 This spatial plan reflects current local plans – which are at different stages across the area. Some plans are adopted or close to adoption, others are being reviewed and new plans are being prepared in some areas. Through the local plan process different options for growth will be considered and may emerge to change future patterns of development. For example different spatial options are being looked at for Harrogate District including settlement extensions, transport corridors and new settlements. New sites, for example Ripon Barracks in the case of Harrogate, may also come forward through the local plan process.

### A1/A19 Growth Corridor

4.3 The North-South growth corridor based around A1/A19/East Coast Main Line runs through the heart of the area. This corridor benefits from excellent connectivity with rapid access to the trunk road and rail network and the rest of the UK for businesses. The City of York with its leading Universities and outstanding tourism offer, and Harrogate with its growing commercial and conference presence and our world leading AgriFood and Bio-Economy Innovation assets sit in the centre of the corridor. Northallerton, Thirsk, Richmond and Catterick Garrison and Selby all act as the focus for their wider rural districts.

4.4 At the south of the corridor is Drax, the UK's largest and cleanest coal fired power station, which is investing over £1 billion in converting to biomass and developing the emerging technology around carbon capture and storage. To the north, the Leeming Bar Food Park continues to expand, whilst the Government has a long term commitment to Catterick Garrison. A new Catterick town centre opens in July 2015 and major housing growth is taking place.

4.5 Focussing growth on this corridor at the heart of the YNYER area and its largest cities and towns, will support a balanced pattern of growth across the area that makes the most of existing infrastructure and investment, maximises accessibility, reduces the need to travel and capitalises on the largest investment opportunities.

## Yorkshire Coast

- 4.6 Yorkshire has one of the finest coastlines in Britain and is a significant environmental and tourism/economic asset. It features seaside towns such as Scarborough, Whitby, Bridlington, and Filey, Hornsea, Staithes and Withernsea. From Bridlington Bay northwards it is characterised by headlands, cliffs and bays backing inland to upland areas and moors. The coast south of Bridlington is generally characterised by fast eroding low clay cliffs.
- 4.7 There are many designations along the coast, including a heritage coast and internationally important biodiversity sites, and strong features such as Flamborough Head and Spurn Point. Further north much of the coastline is within the National Park and coastal villages such as Staithes and Robin Hoods Bay have a high historical importance. Safeguarding and improving the onshore and marine environment is important to protecting this unique character and as a driver to diversify the economy and broaden the tourism offer. Coastal erosion and sea level rise present threats to stretches of the coast and to communities living in such areas.
- 4.8 Unemployment, deprivation and skills issues are present to varying degrees in most towns along the coast. There is a need to strengthen the tourism offer and diversify the economy. Re-inventing the town centres of coastal resorts will be vital to attracting new investment. Improving road and rail services and infrastructure will help reduce peripherality and contribute to the transport priority to strengthen east-west transport links. Offshore wind opportunities, creative and digital industries and a new potash mine near Whitby all have the potential to drive growth. The Easington gas terminal forms a significant component of the national gas supply infrastructure.

## Dales, Moors and Wolds

- 4.9 This area is defined by its high environmental quality. It is predominantly rural in character, providing an outstanding landscape with market towns acting as service hubs for jobs and visitors. The Moors and Wolds have a markedly different landscape character to the Dales but share many of the same issues and opportunities. These include an economy with a strong agriculture, food and visitor economy focus, the pressures of integrating economic and environmental concerns, housing demand, an ageing population and affordability and a combination of good skills and employment levels but often low incomes.
- 4.10 The high quality landscapes of the National Parks and Areas of Outstanding natural beauty are particularly important to the local economy. The number of businesses per head of population is twice the national average in National Parks. Conserving the natural beauty, wildlife and cultural heritage of the YNYER area plays a wide ranging role in supporting land based industries, sustaining tourism and recreation and supporting sustainable rural economies and communities.
- 4.11 Settlements are smaller in population terms in these more rural areas and more dispersed. Towns such as Driffield, Pickering, Skipton and Richmond & Catterick Garrison are important centres of employment and services and act as gateways to these areas. Places such as Leyburn, Grassington, Hawes and Reeth play important roles as local service centres for remoter rural areas. Investment is needed to support sustainable communities and support the roles of towns as hubs for surrounding areas. Accelerating development and supporting the growth ambitions of



small businesses in these rural areas will be important. There is opportunity to improve upland farm and locally distinctive tourism and environment based businesses. Partnership working is important to enhancing upland landscapes as living and working areas.

### Adjoining Urban Areas

- 4.12 The YNYER area has strong functional links with adjoining urban areas, as reflected by the overlapping LEP areas of the Humber and Leeds City Region. There are strong labour and housing market links with the Tees Valley, Darlington, Leeds, Bradford, Hull and Humber ports area and important links with potential for enhancement with Pennine Lancashire and the City of Lancaster. Collaborative working is required to support growth within and beyond the YNYER area – as strong urban centres will be pivotal to driving growth across the north of England. The relationship is two-way as the quality of life and environment of the YNYER area is a key part of the locational offer of the wider area.

<b>Growth Delivery Priorities</b>	
<b>Roles of Places</b>	<b>Pattern and Focus of Development</b>
Major focus of growth	<p>Delivering significant development and investment opportunities by focussing on a:</p> <ul style="list-style-type: none"> <li>▪ A core growth zone focussed on the Harrogate &amp; Knaresborough and York area.</li> <li>▪ North-South and East-West transport corridors with a strategic focus on: <ul style="list-style-type: none"> <li>○ regenerating the towns of Bridlington, Goole, Scarborough and Selby</li> <li>○ strengthening the roles of Beverley, Driffield, the Major Haltemprice settlements, Malton &amp; Norton, Northallerton, Richmond &amp; Catterick Garrison, Thirsk and Skipton</li> </ul> </li> </ul>
Local needs focussed growth	<p>Meeting local needs and supporting sustainable communities by strengthening local service centres in the wider rural areas across York, North Yorkshire &amp; East Riding including the:</p> <ul style="list-style-type: none"> <li>▪ Yorkshire Dales &amp; North York Moors national parks</li> <li>▪ Howardian Hills, Nidderdale and Forest of Bowland Areas of Outstanding Natural Beauty</li> <li>▪ Yorkshire Wolds</li> </ul>

<b>Relationships Between Places</b>	<b>Pattern and Focus of Development</b>
Managed growth <u>within</u> the YNYER area	<p>Co-ordinating development and investment activity in a York/Malton/Scarborough Corridor:</p> <ul style="list-style-type: none"> <li>▪ to support the regeneration of Scarborough</li> <li>▪ to spread the benefits of York's economic growth and influence as an economic driver for the sub-region</li> <li>▪ to strengthen the role of Malton and Norton</li> </ul> <p>Supporting the role of and focus on York as a key growth driver by:</p> <ul style="list-style-type: none"> <li>▪ Managed growth in the East Riding Vale of York area (focussed on Pocklington &amp; Market Weighton)</li> <li>▪ Development restraint in the Easingwold area</li> </ul>
Managed growth with areas <u>adjoining</u> the YNYER area	<p>Co-ordinating development and investment activity across boundaries to support growth and regeneration:</p> <ul style="list-style-type: none"> <li>▪ Beverley and the major Haltemprice settlements in the East Riding, in support of the transformation of Hull</li> <li>▪ Skipton &amp; South Craven, as an economic hub between and linked to West Yorkshire and Lancashire</li> </ul> <p>Development restraint to support regeneration:</p> <ul style="list-style-type: none"> <li>▪ In the Stokesley area to support regeneration in the Tees Valley</li> <li>▪ Between Richmond and Darlington, to support the sub regional centre role of Darlington and regeneration in the Tees Valley</li> </ul>
Co-ordinated Resource Management	<p>Safeguarding and enhancing the area's key environmental and built assets:</p> <ul style="list-style-type: none"> <li>▪ Encouraging positive land management for flood alleviation in upland areas to reduce downstream flooding and enhance biodiversity</li> <li>▪ Protecting the setting of National Parks</li> </ul>

## 5. BETTER CONNECTIVITY

### Our priorities:

1. **Improved east-west connectivity across and beyond the area with a particular focus on the overlapping impacts of urban congestion in York & Harrogate**
2. **Better access to national and regional rail services, including being HS2 & HS3 ready**
3. **Improved long distance connectivity to the north and south**

5.1 Better transport provides firms with access to employees, enables them to be connected with other businesses and facilitates access to local, national and international markets. Many parts of the YNYER area's transport network form key parts of international, national and regional transport links. Improving superfast broadband and mobile coverage (see sections 6 & 7) is also critical to ensuring that businesses across the area are well connected to their customers, markets and workforce.

### North – South Transport Links

5.2 The YNYER area benefits from excellent North-South connections, including the recently upgraded A1 (M) and A19 corridor and the East Coast Main Line (ECML). In a national context this corridor provides key connections between London, the Midlands, the North and Scotland. In a northern context, it links the Humber, Sheffield and Leeds City Regions to Tees Valley, the North East and Scotland. Economies along the ECML are significant, contributing over £300 billion pa to the national economy (excluding London) and have significant further growth potential. Continued upgrades to these north-south connections and access to HS2 and HS3 will be crucial to the long term prosperity of the UK. For 'strategic highways' the One North transport proposition includes removing network gaps from the North East to South Yorkshire and northwards towards Scotland and enabling the better movement of freight by road, water and rail. There are key rail linkages for freight from the ECML at Northallerton into Middlesbrough, Teesport and Port of Tyne, from Selby to Felixstowe and to the Humber ports. Local linkages to strategic north-south links are important to enable local areas to gain benefits from these connections.

### East-West Transport Links

5.3 East- West links across the LEP area are relatively poor and require investment to realise the economic potential and boost the performance of the major urban areas of Harrogate and York and many growth towns such as Bridlington, Driffild, Malton, Scarborough and Skipton. Journey time reliability affects businesses and their staff. Whilst east-west transport connections need to be strengthened across the whole area the location of growth towns and the larger volume of movements between them have shaped the priorities for improvement.

5.4 Whilst transpennine links across the M62 are relatively good, further north, the transpennine links from Craven District to East and Central Lancashire and from

North Yorkshire to Cumbria are relatively poor. As well as linking major economic growth hubs in the YNYER area such as York and Harrogate, east-west links provide key connections to and from eastern and coastal towns, the Beverley, Hull and the Humber Ports and with the towns of central Lancashire and the wider North West of England. The Tees Valley area also shares a need for improved east-west connections and coastal access improvements.

- 5.5 In combination with urban congestion poor-east west transport links also contribute to significant constraints on the growth of Harrogate and York. There are significant delays on the York Northern Outer Ring Road and in the urban areas of Harrogate/Knaresborough and York. Improving east-west transport links in the YNYER area is important to economic growth in the area and for the North of England.

### Rail Services

- 5.6 From the rail hub of York, eight of the 10 largest UK cities can be accessed in less than two hours. The full 'Y' HS2 route, once built and operational, will further improve this rail connectivity. The 'One North' proposition includes a new dedicated 125 mph trans-pennine rail-link connected to the HS2 lines and Manchester Airport. Transpennine rail electrification is being progressed from Manchester to Selby, Hull and York. Further extension of Transpennine electrification' improving connecting routes will significantly improve the area's connectivity nationally and across the North of England.
- 5.7 The York-Harrogate- Leeds rail line is being upgraded from one track to two tracks on parts of the route between Knaresborough and Poppleton. This will facilitate faster journey times and improved reliability, and potentially the doubling of train frequencies, between these key employment centres. The York-Scarborough rail line links through to Leeds, Manchester Airport and Liverpool, investment needs to include enhanced services, stations and inter-change facilities. The proposed electrification of the Leeds-Selby-Hull line presents similar opportunities.
- 5.8 In the Aire Valley fast and efficient commuter trains support and attract growing passenger demand between Skipton / South Craven and towns and cities in West Yorkshire. There are opportunities to enhance trans pennine rail links as alternatives to the congested main Leeds-Huddersfield-Manchester route. The protected track bed of the former Skipton to Colne railway line presents such an opportunity. Recent strategic investment in Pennine Lancashire has realised new direct services between nearby Burnley and Manchester.
- 5.9 Rail stations across the YNYER area play a key role as gateways to national, regional and local rail services and have the scope to stimulate economic growth and promoting the use of public transport and thereby have a significant impact on the towns and cities (and their hinterlands) that they serve. Investment in stations and the areas around stations can act as a catalyst to broader development and attracting inward investment.

<b>Better Connectivity Delivery Priorities</b>	
Improved long distance connectivity to the north and south	<p>Ongoing upgrades to the A1 and improving key links to the A1 at:</p> <ul style="list-style-type: none"> <li>▪ A168/Thirsk</li> <li>▪ Sherburn in Elmet to A63/A1</li> </ul> <p>Removing capacity constraints, improving passenger and freight services and improving journey quality on the East Coast Mainline.</p> <p>Safeguarding and realising the benefits of Selby Railhead.</p> <p>Supporting the improvement of the Port of Goole (and Humber ports) and the role of waterways to bypass congested South East road and rail routes.</p>
Improved East-West Connectivity	<p>Improving journey-time reliability on the Central Lancashire to Yorkshire Coast/Humber corridor with improved A59/A1237/A64 &amp; A1079 highway links including improvements to:</p> <ul style="list-style-type: none"> <li>▪ York Northern Outer Ring Road</li> <li>▪ A64 York –Malton – Scarborough Corridor, including West of Malton and Hopgrove junction,</li> <li>▪ A64/A1079 Grimston Bar junction</li> <li>▪ A1079 Corridor</li> <li>▪ A1(M)/A59 Junction 47</li> <li>▪ Harrogate Road network</li> <li>▪ A59 Harrogate to Skipton, including overtaking lanes</li> <li>▪ M65 Colne to Skipton</li> </ul> <p>Modernising the Leeds-Harrogate-York rail line to improve performance and increase service frequency.</p> <p>Improving stations, inter-change facilities and services between Scarborough and York.</p> <p>Improving stations, reducing journey times and upgrading facilities on the Selby-Hull line to maximise the benefits of the planned electrification.</p> <p>Supporting improvements to rail infrastructure for freight including between Craven and the west coast rail hubs of Lancaster and Carlisle, as well as Manchester (via Clitheroe).</p>
Rail Station Hubs	<p>Enabling the LEP area to be HS2 ready by improving connectivity to the HS2/HS3 network and getting stations ready as HS2 passenger hubs.</p> <p>Enhancing existing rail stations to increase access to national and regional rail services and to promote their roles as economic/development hubs, public transport interchanges and gateways to the recreational and cultural offer of the area including:</p>

	<ul style="list-style-type: none"><li>▪ York station as a strategic interchange and HS2 gateway station</li><li>▪ Harrogate, Northallerton, Selby, Skipton and Thirsk as key gateways to the national network and London</li><li>▪ Seamer, Skipton, Bridlington, Driffield, Beverley, Goole, Malton &amp; Norton, Scarborough,</li></ul> <p>Providing new stations at:</p> <ul style="list-style-type: none"><li>▪ Haxby, York</li><li>▪ Cross Hills (South Craven)</li></ul>
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## 6. STRONG CENTRES

### Our priorities:

1. **Promoting a network of growth towns to meet the majority of the area's development needs**
2. **Unlocking development opportunities and infrastructure constraints in growth towns**
3. **Sustaining local service centres as viable local hubs for services, facilities, employment and housing for local communities**

6.1 There are many distinctive and different urban, rural and coastal settlements in the LEP area. These places vary in size and function but generally act as the focal point for commercial, cultural, education, health, service, transport, and employment activity. A multi-centred approach, with a pattern of linked growth towns (including the city of York) and local service centres, will help to meet the needs of urban, rural and coastal areas. Digital infrastructure has a key role to play in supporting social and economic development.

### Growth Towns

- 6.2 Growth towns have been identified as the main places that will accommodate future housing and employment growth. This supports a concentration on a limited number of towns across the YNYER area and for each local authority area.
- 6.3 Enhancing the reliability of the current transport network, particularly the condition of the road network, is also important to link the many growth and service centres across the large LEP area, improving connections for businesses and their employees customers and providing access to markets for raw materials and finished products. The varied urban, rural and coastal nature of the YNYER area has a significant influence on transport provision and accessibility – and thereby economic growth and housing demand and supply.
- 6.4 Better local transport connectivity between centres will help deliver higher levels of productivity and greater competitiveness. Improved journey time reliability, better travel quality and shorter journeys help to widen and strengthen labour markets, reduce costs, improve business efficiency and increase access to new and larger markets. Our approach is multi-modal to support both growth and low carbon goals. It recognises that for a large rural area the dominant mode of travel is by road but with an opportunity for rail to provide extra capacity.

### Unlocking Development Opportunities

6.5 In the Growth Towns there are major strategic sites, allocated within Local Plans and/or with approved planning, but where exceptional infrastructure costs are stopping or delaying development. Removing these barriers is essential to delivering our aim of doubling house building rates and increasing the level of affordable housing, whilst providing employment land to support future growth

- 6.6 Infrastructure capacity constraints can restrict the future development of an area or a town as a whole, in addition to being specific to particular sites. Without unlocking strategic constraints the scope to bring forward any sites is significantly limited.

### **Local Service Centres**

- 6.7 Coastal areas and rural areas need to be protected and enhanced as attractive and vibrant places and communities, providing quality of place and an excellent environmental, economic and social resource. Meeting the needs of people in relatively remoter areas should be based on supporting the sustainability of local communities by improving existing services and facilities and providing additional housing and employment opportunities within settlements. Focussing smaller scale growth on local service centres strikes an appropriate balance between meeting local needs, protecting and enhancing our environmental assets and preventing new housing extensively catering for commuters from nearby areas. It supports the availability of a local labour market. Nearby larger towns (the Growth Towns) also have a influence and relationship with the local service centres in their hinterlands.
- 6.8 In an increasingly information driven economy e-connectivity is equally important as physical connectivity. The roll out of broadband internet is commercially constrained by the large geographical extent and low population density of many parts of the YNYER area. Our transport, mobile and broadband network must be an enabler for thriving prosperous places where businesses are able to grow and communities are able to access services and facilities. Increasing superfast broadband and mobile coverage is a key priority for a large geographical area with a low population density. These issues serve to make the development of the infrastructure commercially unattractive in “not-spots” and initiatives to address the absence of fibre based coverage in these rural areas are vital to enable economic growth and support sustainable communities. Increased broadband provision will allow for a greater spread of growth and enable people to increasingly conduct business from home and from rural locations.



## Strong Centres Delivery Priorities

<p>Network of growth towns</p>	<p>Focussing development on the eleven growth towns of:</p> <ul style="list-style-type: none"> <li>▪ Bridlington,</li> <li>▪ Beverley</li> <li>▪ Driffield</li> <li>▪ Harrogate and Knaresborough</li> <li>▪ Major Haltemprice settlements</li> <li>▪ Malton and Norton,</li> <li>▪ Northallerton</li> <li>▪ Richmond and Catterick Garrison</li> <li>▪ Scarborough</li> <li>▪ Selby,</li> <li>▪ Skipton</li> <li>▪ Thirsk and,</li> <li>▪ The city of York.</li> </ul> <p>Improving the transport linkages between growth towns:</p> <ul style="list-style-type: none"> <li>▪ A164 Corridor Improvements</li> <li>▪ Newland Bridge Maintenance</li> <li>▪ 'A' road maintenance</li> <li>▪ A166/ Stamford Bridge improvements</li> <li>▪ A6136 upgrade and Catterick Garrison Town centre improvements</li> <li>▪ A59 Skipton-Harrogate-York</li> <li>▪ A64 York-Malton-Scarborough</li> </ul>
<p>Critical infrastructure to unlock the growth of settlements</p>	<p>Tackling transport congestion:</p> <ul style="list-style-type: none"> <li>▪ Harrogate &amp; Knaresborough</li> <li>▪ Central Scarborough</li> <li>▪ Bridlington Integrated Transport Plan Phases 1 &amp; 2</li> <li>▪ Beverley Integrated Transport Plan and Park and Ride</li> <li>▪ North and Central Northallerton</li> <li>▪ York Northern ring road,</li> </ul> <p>Widening transport choice:</p> <ul style="list-style-type: none"> <li>▪ Improving local rail links: <ul style="list-style-type: none"> <li>○ York-Harrogate-Leeds railway line</li> <li>○ Hull-Selby-York railway line</li> <li>○ Scarborough-Malton-York railway line</li> </ul> </li> <li>▪ Bus and cycling network improvements in Harrogate and York</li> </ul> <p>Managing flood risk in:</p> <ul style="list-style-type: none"> <li>▪ Skipton</li> <li>▪ Malton and Norton</li> <li>▪ York</li> </ul>
<p>Local service centres</p>	<p>Focussing development on Local Service Centres that provide services and facilities that serve the needs of, or are accessible to, people living in the surrounding rural areas in order to meet local growth needs and support the sustainability of local communities.</p> <p>Improving superfast broadband and mobile coverage particularly in not-spot areas.</p>

## 7. EMPLOYMENT GROWTH

### Our Priorities

1. **Supporting growth in the food manufacturing, agri-tech and biorenewables sectors**
2. **Promoting growth towns and local service centres as strategic and local hubs of economic activity**
3. **Harnessing our environment and heritage to support rural based businesses to grow**

7.1 A growing and competitive economy is a key component of sustainable growth. Such conditions help to ensure that everyone can benefit from higher living standards, greater job opportunities and an overall better quality of life. To meet the economic and social needs of communities and businesses across the York, North Yorkshire and East Riding of Yorkshire area the SEP ambitions are to deliver 20,000 new jobs across the area and support over 21,000 small and microbusinesses to grow and improve. Successful economic growth will mean rising incomes and increased business profitability, productivity and resilience. Growing the economy by £3bn will require a range of outcomes by 2020 which include increasing GVA and productivity, more businesses startups, increased exports, higher employment rates and falling carbon emissions.

7.2 Between 2005 and 2011 economic growth (15.9%) was below the national increase (18.8%). This lower historic base rate of growth, combined with the ambition and opportunity to capitalise on growth sectors and our excellent quality of life and high quality environment requires a step change in the level of growth that will be supported and the creation of new jobs.

### Growth Sectors

7.3 YNYER is already an international leader in the bioeconomy, which combines the food manufacturing, agritech and biorenewables sectors. The R&D base in York competes on an international stage in agritech and biorenewables as home to international research groupings at the University of York. The Food and Research Agency (FERA) just outside York complements these resources as a national centre of expertise and innovation.

### Economic Hubs

7.4 Future employment growth will be strongly driven by strengthening the role and performance of the YNYER areas cities and towns (the growth towns) and particularly their centres. City and town centres will be a prime focus for development, especially for uses that generate large numbers of people movements. Improving the quality and distinctiveness of town centres is critical for competitiveness. The growth towns across the YNYER area fulfil a significant role as the focal point for services, facilities, transport and employment for their immediate and surrounding areas. Focussing activity on these towns provides an efficient and concentrated approach to investment and service delivery.

- 7.5 Digital connectivity is of vital importance to communities and businesses. Digital connectivity can act as a barrier to growth and innovation or as a catalyst for economic and social development. Superfast networks can increase efficiency, support a new era of digital public services, enhance healthcare delivery and education capabilities. York is the country's first 'Gigabit City' offering the opportunity for the City to be a magnet for new business development and to use this step change in digital infrastructure to drive economic growth and global competitiveness. Improving broadband connectivity is of critical importance to the growth and competitiveness of rural businesses.

### **Rural Based Businesses**

- 7.6 A key feature of YNYER is impressive landscapes and coastlines and a wealth of natural and historic assets. The natural and built environment is a key component of our economy and the health and well-being of communities. Within a wider context of protecting and enhancing our environment there is much scope to support small scale and innovative business and employment growth. In more remote and peripheral areas sustaining and maintaining local economic activity is a key challenge.

Employment Growth Delivery Priorities	
Growth sectors	<p>Support a region-wide Bio-Economy cluster, BioVale, developing and spreading the benefits of the Bio-Hub at the University of York and National Agri-Food Innovation Campus at Sand Hutton.</p> <p>Agri-business park Malton</p> <p>To link key investments in bio-energy to the low carbon, energy and renewables sector and chemicals industry along the M62 corridor and in both the Humber and Tees Valley</p> <p>Optimise the opportunities for the area provided by the Humber Ports and TeesPort as international trade gateways and for offshore energy.</p>
Hubs of economic activity	<p>Strengthening the sub regional role of York through:</p> <ul style="list-style-type: none"> <li>▪ The establishment of a new Central Business District next to York Station</li> <li>▪ The expansion of the University of York</li> <li>▪ Maximising the benefits of the Gigabit city superfast broadband speeds</li> </ul> <p>Supporting the roles of Growth Towns as a focus for economic activity including the development of a new town centre at Catterick Garrison.</p> <p>Supporting role of local service centres as the local focus for employment in rural and coastal areas.</p>
Rural based businesses	<p>Capitalise on the high quality environment and heritage of the YNYER area including by supporting innovative and locally responsive:</p> <ul style="list-style-type: none"> <li>▪ farm and estate diversification</li> <li>▪ all year round visitor accommodation</li> <li>▪ infrastructure for outdoor recreation</li> <li>▪ green tourism</li> </ul>

## 8. HOUSING GROWTH

### Our priorities:

1. **Increase the supply of good quality new housing**
2. **Providing the right mix of housing types and increasing the delivery of affordable housing across the area**
3. **Promoting local distinctiveness**

8.1 The geography of the YNYER area presents a specific range of housing issues. The Growth deal for the YNYER area aims to double the rate of new house building across the area and triple the rate of affordable housing delivery in the next five years. Local Plans provide the mechanism through which statutory housing targets will be set.

### Supply of Homes

8.2 Against a background of high and rising house prices, Housing Strategy and Strategic Economic Plan identify how the supply of new homes across all tenures falls well behind demand. The SEP highlights that between 2012 and 2014 there were over 2,500 new homes delivered (just over 20% were affordable) compared to 6,000 households that are expected to form per annum between 2013 and 2026. Between 2016 and 2020 the Strategic Economic Plan aims to increase the delivery to almost 5,500 new homes, with 30% being affordable.

### Right Type of Housing

8.3 Our existing housing stock is not diverse – 88% is in the private sector, either owner occupied or privately rented. This is the second highest of all LEP areas in the country. The current supply of affordable housing is very low compared to other LEP areas and there are increasing pressures on this and on private rented stock. The Housing Strategy highlights that housing waiting lists in the area and the 2011 Strategic Housing Markets Assessments (SHMAs) covering the area identified a shortfall of over 4,000 affordable homes if new and pent up demand were to be met.

8.4 Very many young people will be unable to afford to access home ownership if house price and income trends continue. Private renting will remain the main option for many young people to live independently. Good quality private rented accommodation of a suitable size is often scarce and with low wages many workers struggle to find suitable homes. The YNYER area has a significant and growing population of people aged over 65 years. Many of these households will live independently, a proportion though will also live with a long term limiting illness and/or dementia. Providing the right type of housing for older people is a major issue for the area.

8.5 There is a need to deliver the right type and tenure of homes to meet the needs of a wide range of households on a wide range of incomes. This includes starter homes, private rented, intermediate tenures, more affordable housing and accommodation to meet the housing and care/support needs of older households.

### **Successful and Distinctive Places**

- 8.6 The distinctive character of an area or the sense of place that it provides is an important element of building communities that people want to live in and places where businesses want to invest. It strongly influences decisions to invest or locate – whether as a household, business or visitor. Creating distinctive places by promoting high quality development and respecting features of value in urban rural and coastal areas contributes positively to making successful places that evolve over time.
- 8.7 All settlements are different and have diverse characters reflecting their history, scale, economic fortunes and location. The character and distinctiveness of settlements and their settings should be protected and enhanced as a key part of the approach to growing and regenerating places. The YNYER area is rich in character and its diversity is a major feature in terms of settlement and landscape character.

## Local Plan Housing Growth Delivery Priorities - Scale of Housing Growth

<i>District/Unitary</i>	<i>Homes PA</i>	<i>Period</i>	<i>Source</i>
East Riding of Yorkshire	1,400	2012-2029	ER LP Strategy Document
Craven	160		Draft plan, new SHMA being prepared
Hambleton	455-470		OAN June 2015
Harrogate	621	2014-2035	March 2015 OAN
NYMNPA	26		2008 Core Strategy
Richmondshire	180	2012-2028	Adopted Core Strategy
Ryedale	200		Adopted Core Strategy
Scarborough	465	To 2032	Being finalised through revised OAN and SHMA
Selby	450		Adopted Core Strategy
York	TBC		Revised OAN work commissioned
YDNPA	55		OAN

## Housing Growth Delivery Priorities - Location of Housing Growth

Growth Locations	Growth towns of Beverley, Bridlington, Driffield, Harrogate and Knaresborough, Malton and Norton, Northallerton, Richmond and Catterick Garrison, Major Haltemprice Settlements, Scarborough, Selby, Skipton, Thirsk and York.
Strategic Sites	Investing in major strategic sites at: <ul style="list-style-type: none"> <li>▪ Catterick Garrison</li> <li>▪ Middle-Deepdale and south of Cayton, South Scarborough</li> <li>▪ North Northallerton</li> <li>▪ Sowerby Gateway, Thirsk</li> <li>▪ Olympia Park, Selby</li> <li>▪ Moor Road, Brough</li> <li>▪ York Central, York</li> <li>▪ Former British Sugar/Manor School site, York</li> </ul>

## 9. SEP GEOGRAPHIC PRIORITY AREAS

<b>SUMMARY OF A1/A19 GROWTH CORRIDOR SPATIAL PLANNING APPROACH</b>	
<b>PRIORITIES FOR ACTION</b>	<b>RATIONALE</b>
<p><b>A: Pattern of Growth</b></p> <ol style="list-style-type: none"> <li>1) Focus most development on the Growth Towns of Catterick Garrison/Richmond, Harrogate and Knaresborough, Northallerton, Selby and city of York</li> <li>2) Meet local needs for housing, employment and services in local service centres</li> </ol>	<p>These are the major centres for employment, housing, transport, services and cultural facilities. This focus will help to unlock major development sites, make the best use of existing infrastructure and reduce the need to travel and emissions.</p>
<p><b>B: Roles and Functions of Places</b></p> <ol style="list-style-type: none"> <li>1) <i>Catterick Garrison/Richmond</i> – enhanced town centre and service centre for Richmondshire</li> <li>2) <i>Harrogate &amp; Knaresborough</i> – a major centre and expanding commercial &amp; conference centre hub</li> <li>3) <i>Northallerton</i> – a County Town serving other market towns and the rural hinterland</li> <li>4) <i>Thirsk</i> – local focus for jobs, homes and shops</li> <li>5) <i>Selby</i> - local focus for jobs, homes &amp; shops</li> <li>6) <i>York</i> – a major economic centre for the wider area and international hub for knowledge driven, creative and high technology industries</li> </ol>	<p>There is significant opportunity to utilise and further strengthen the roles of the Growth Towns to the benefit of their wider hinterlands. Fostering distinctive roles will support successful growth by avoiding unnecessary competition and ensuring that as high quality places each area uses its own assets and opportunities to build future growth. Each growth town presents a particular opportunity to add value to the overall offer of this growth corridor.</p>
<p><b>C: Transport</b></p> <ol style="list-style-type: none"> <li>1) Reducing delays and promoting sustainable transport measures in Harrogate &amp; York</li> <li>2) A1237 Northern Ring Road Improvements</li> <li>3) Improving the A1/A59 Allerton Park and A64/A162 Tadcaster junctions and the link from Drax to the M62</li> <li>4) Improve Harrogate-York- Leeds and York-Scarborough rail links and improving rail gateways</li> <li>5) Improving overall east-west connectivity</li> <li>6) Improving rail stations as key</li> </ol>	<p>Key elements of York's highway network are nearing capacity. Continued growth is at threat from congestion. The outer ring road also forms a key part of strategic LEP area east-west connections. Urban congestion issues in Harrogate/Knaresborough provide a barrier to unlocking the town's economic potential. Better journey times between Harrogate, York &amp; Leeds will maximise the growth of these economic drivers.</p>



<p>strategic interchange</p> <p>7) A6136 Catterick Garrison / A1 access improvements</p>	
<p><b>F: Strategic Investments</b></p> <ol style="list-style-type: none"> <li>1) Sherburn A1 Employment Site</li> <li>2) North Northallerton Development Area</li> <li>3) Olympia Park Selby</li> <li>4) York North West</li> </ol>	<p>Catterick Garrison provides an opportunity to create a new town centre and stimulate growth in surrounding areas. Sherburn provides a major employment site close to the A1. The North Northallerton development area is the key strategic site for the area, similarly Olympia Park presents an opportunity to transform Selby's town centre and meet housing and employment needs. Key development sites in York including York Central, British Sugar and Nestle South.</p>

## SUMMARY OF YORKSHIRE COAST SPATIAL PLANNING APPROACH

PRIORITIES FOR ACTION	RATIONALE
<p><b>A: Pattern of Growth</b></p> <ol style="list-style-type: none"> <li>1) Focus most development on the Growth Towns of Scarborough and Bridlington</li> <li>2) Meet local needs for housing, employment and services in local service centres</li> </ol>	<p>Scarborough and Bridlington are the largest towns along the coast and provide jobs, services and facilities for much of the area. There are concentrations of deprivation and worklessness. Economic growth and regeneration requires more housing.</p>
<p><b>B: Roles and Functions of Places</b></p> <ol style="list-style-type: none"> <li>1) To establish the growth towns as premier East Coast resorts with reinvigorated town centres and a broader and better economic base and tourism offer</li> <li>2) To safeguard the maritime and fishing</li> </ol>	<p>There is significant opportunity to strengthen the roles of Scarborough and Bridlington and unlock major housing growth, town centre, harbour and marina developments. Other coastal settlements such as Whitby, Hornsea and Withernsea play important roles as local service centres. Historic fishing villages such as Staithes and Robin Hood's Bay contribute to the heritage and character of the area.</p>
<p><b>C: Transport</b></p> <ol style="list-style-type: none"> <li>1) Reduce peripherality by improving east-west transport links</li> <li>2) Improve links with growth towns outside the area</li> <li>3) Address severe junction capacity issues within Scarborough urban area.</li> </ol>	<p>There is a significant degree of journey time unreliability on the A64 between York and Scarborough and underperforming stations and services along the rail line resulting in poor connectivity. To realise the growth potential of Scarborough improvements/mitigation measures are required to key junctions in the town.</p>
<p><b>D: Environment</b></p> <ol style="list-style-type: none"> <li>1) Transform coastal towns utilising their seaside character and settings to improve the quality of the public realm and environment, the housing offer and diversify the economy</li> <li>2) Protect and enhance the unique character, heritage and biodiversity of the undeveloped coast and coastal waters</li> <li>3) Avoid the risk from flooding, erosion and landslip</li> </ol>	<p>The seaside and historic character of the towns is a key asset. The importance of the high quality natural environment and landscapes of the Yorkshire Coast is being recognised. Coastal processes have a direct bearing on natural resources, nature conservation, communities, properties and economic activities along the coast.</p>

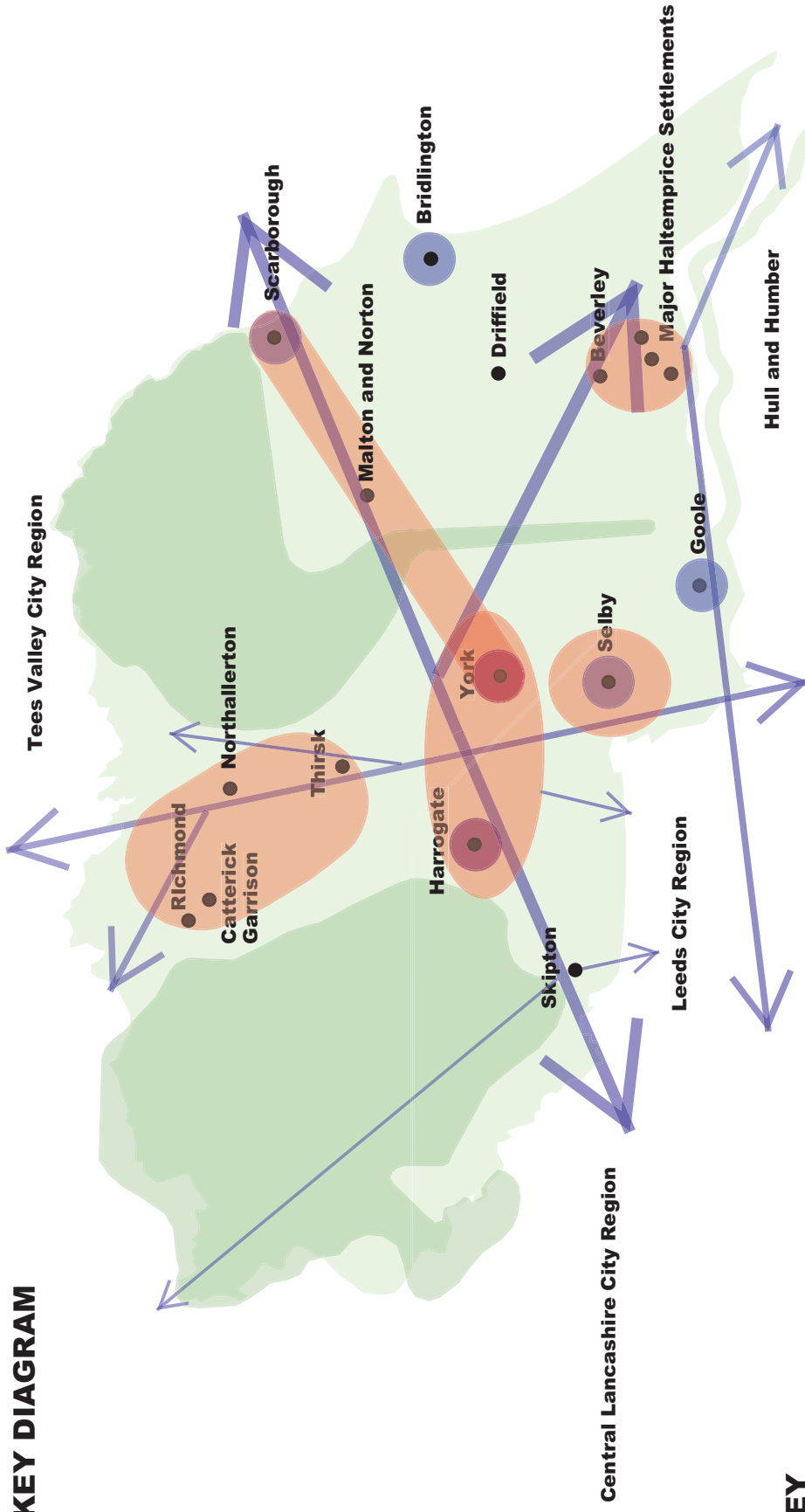
<p><b>E: Growth Drivers</b></p> <p>1) York Potash mine</p>	<p>The £2bn York Potash project proposal will develop a new high-tech potash mine and has the potential to generate £1bn exports and supply chain opportunities for local companies.</p>
<p><b>F: Strategic Investments</b></p> <p>1) Whitby Offshore Industries Hub</p> <p>2) Middle Deepdale Housing Site Scarborough</p>	<p>Whitby is the nearest port to Dogger Bank where the world's biggest wind farm is to be constructed and offers opportunities to service the offshore wind sector. Unlocking the mixed tenure Middle Deepdale project will enable housing growth and along with south of Cayton and act as the catalyst for the wider regeneration of the Eastfield Area.</p>

## SUMMARY OF THE DALES, MOORS & WOLDS SPATIAL PLANNING APPROACH

PRIORITIES FOR ACTION	RATIONALE
<p><b>A: Pattern of Growth</b></p> <ol style="list-style-type: none"> <li>1) Focus development on the growth towns of Beverley, Driffield, Malton &amp; Norton, Skipton and Richmond/Catterick Garrison.</li> <li>2) Meet local needs for housing, employment and services in local service centres including Bentham, Bedale, Hawes, Helmsley, Kirbymoorside, Leyburn, Pickering, Pately Bridge and Settle</li> </ol>	<p>Across a large rural and upland area supporting sustainable growth in a number of key settlements acts to provide services and facilities that serve the needs of, and are accessible to, people living in these communities and the surrounding rural areas. Many smaller communities are relatively remote from larger centres.</p>
<p><b>B: Roles and Functions of Places</b></p> <ol style="list-style-type: none"> <li>1) Driffield as a focus for development in the Wolds</li> <li>2) Skipton as a local focus for homes and as a focus for jobs and shops for area between West Yorkshire and Lancashire</li> <li>3) Malton – a local focus for jobs, homes and shops</li> <li>4) All the local growth centres will be sustained as local focal points for local services, facilities and development to meet the essential needs of rural communities.</li> </ol>	<p>These settlements provide important local facilities that help to meet the essential needs of rural communities. Limited development, of an appropriate scale and type, can positively contribute to meeting local needs and supporting the long term sustainability of communities.</p>
<p><b>C: Transport</b></p> <ol style="list-style-type: none"> <li>1) Maintaining local highway links to local service centres</li> <li>2) Enabling visitors to access recreational and tourism activities</li> </ol>	<p>The condition of the local road network is a key constraint on the economy in rural areas as the condition of the highway network between local service centres and feeder villages impacts on rural businesses. Reaching markets outside a very local area, home-based or remote working and effective trading will be restricted by poor broadband connectivity.</p>
<p><b>D: Environment</b></p> <ol style="list-style-type: none"> <li>1) Protect and enhance the character, heritage and biodiversity of the Yorkshire Dales &amp; North York Moors National Parks, the Nidderdale, Howardian Hills and North Pennines</li> </ol>	<p>The area's natural environment gives the area iconic regional, national and international status. There are many statutory designated areas. The outstanding environmental and built</p>

<p>AONBs and the Yorkshire Wolds</p> <p>2) Develop green infrastructure that provides services to the wider economy</p>	<p>assets in the area need to be safeguarded and enhanced through a conservation-led approach that provides a basis for supporting new and existing local businesses, especially in tourism and agriculture. Supporting green infrastructure will help support significant improvements to the visitor infrastructure.</p>
<p><b>E: Growth Drivers</b></p> <p>1) Protected Landscapes</p>	<p>Conserving and enhancing the natural beauty, wildlife and cultural heritage of protected landscapes is nationally significant. For rural areas, landscapes provide a basis for sustainable economic growth and diversification including for land based industries, recreation and tourism.</p>
<p><b>F: Strategic Investments</b></p> <p>1) Malton Agri-Business Park</p> <p>2) Broughton Hall Business Park, Skipton</p> <p>3) Bentham Employment Expansion</p> <p>4) Kirbymoorside Employment Expansion</p> <p>5) South Skipton Employment Zone</p>	<p>Investment is needed to meet abnormal infrastructure costs, accelerate development and support the growth ambitions of rural based businesses. Initial proposals at 4 settlements will be rolled out across other local growth centres.</p>

# KEY DIAGRAM



## KEY

- Growth Towns
- Urban Congestion Priority Area
- Regeneration Priority Area
- ↔ Transport Priorities
- Focus for Growth

# Selby District Council

## REPORT

Reference: E/15/18

Item 13 - Public



**To:** The Executive  
**Date:** 3 September 2015  
**Status:** Non key decision  
**Report Published:** 25 August 2015  
**Author:** Gillian Marshall Solicitor to the Council  
**Executive Member:** Councillor Mark Crane – Leader of Council  
**Lead Officer:** Jonathan Lund Deputy Chief Executive/Monitoring Officer

**Title:** Amendments to the Constitution

### Summary:

The report summarises proposes changed the Financial Procedure Rules, the Terms of Reference of Audit and Governance Committee, the delegations to the Monitoring Officer and the Code of Practice for dealing with Planning Matters. These changes were considered by the Executive on 4 June 2015 and by the Audit and Governance Committee on 17 June and 16 July. They will be considered by Council on 8 September and any further comments by the Executive will be presented verbally to Council when this report is considered.

### Recommendations:

- i. Executive should consider the proposed changes to the Constitution and provide any further comments prior to consideration by Council**

### Reasons for recommendation

To enable any further comments to be taken into consideration by Council

#### 1. Introduction and background

- 1.1 The Constitution was comprehensively reviewed in 2014 in preparation for the reduction in the number of Councillors from 41 to 31. Further changes are now recommended in order to speed up decision making whilst maintaining good governance and financial control. The Executive resolved on 4 June

2015 to refer these changes to Audit and Governance Committee to consider and to make recommendations to Council. The changes were considered at meetings of Audit and Governance Committee on 17 June 2015 and 16 July 2015 and the changes identified in this report are recommended for approval. Where specific issues or considerations were raised by Audit and Governance Committee these are noted in the body of the report.

## The Report

- 2.1 Amendments are proposed to the Financial Procedure Rules as part of a general refresh of that document. A revised draft is attached at Appendix A. The main changes to be noted are -
- a) an increase to the level of in-year virement that can be approved under delegated powers. The proposal is that the level should be £50 000 rather than the current £20 000 which would be consistent with the level of authority granted under the Contract Procedure Rules and the definition of a significant officer decision which should be recorded and publicised. The increased authority is to be limited, as now, to the s151 Officer.
  - b) To increase the delegation limits on approving the sale of land to £50 000 consistent with the other financial limits. This would be delegated to Directors after consultation with the s151 Officer.
- All other changes are minor consistency changes or clarifications. Audit and Governance Committee recommended these changes be approved although they wished it to be noted that due to the late dispatch of the revised draft they did not have time to consider the attachment in detail before their meeting.
- 2.2 It is proposed and recommended by Audit and Governance Committee that the role of monitoring the Council's use of the Regulation of Investigatory Powers Act (RIPA) for surveillance be added to the Terms of Reference of Audit and Governance Committee. The Home Office Code of Practice indicates that review by Councillors on an annual basis (at a minimum) should take place and this is one of the recommendations arising from a recent visit by staff from the Office of the Surveillance Commissioner.
- 2.3 Following on from a review of the Community Engagement Forums, changes are also recommended to the Constitution to strengthen the governance arrangements for the CEFs. These changes are included in another report on the Agenda but for completeness reference is made here to the proposals as part of the overall changes to the Constitution which are being considered.
- 2.4 The previous Government issued a consultation paper on 29 January 2015 on proposed changes to the Local Authorities Functions and Responsibilities Regulations. These regulations identify the split in decision making responsibility between Council (and committees of Council) and the Executive. They were first introduced in 2000 and regularly amended until 2013. This report proposes that the Council should now replace the existing



set and all the amendments with a new 2015 version. The consultation closed on 6 March 2015. It is likely that the new Government will proceed with some or all of these changes in the new Parliament. The Council will have no option but to reflect these legal changes in the Constitution. Audit and Governance Committee therefore recommend that Council consider granting a general delegated power to the Monitoring Officer to amend the Constitution where required to do so as a matter of law and where the Council has no discretion in relation to the changes or the way they are implemented.

- 2.5 At their meeting in June 2015 the Executive also resolved to ask Audit and Governance Committee to look again at the Site Visit Section of the Code of Practice for dealing with Planning Matters in part 5 of the Constitution. This was because concerns had been expressed about the ability of Ward Councillors to represent their constituents in such matters. The current Code (approved in October 2014) states that no opportunity for speaking, debate or giving opinions will be afforded to the Agent/Applicant, or other parties e.g. Ward Councillors, objectors except where the Chair permits a response to questions of fact from the committee.
- 2.6 Having considered the matter fully the Audit and Governance Committee raised concerns about the need for planning decisions, and discussions, to take place in the Planning Committee meeting room. It was felt that there are too many potential distractions 'on site' to enable considered contributions to a discussion. Councillors also noted that technological advancements, in particular video recording and satellite imaging, could reduce the need for site visits. Concerns were raised by the Committee that, on occasions, requests for site visits are not being made sufficiently in advance of Planning Committee meetings, and that this can delay the decision.
- 2.7 Audit and Governance Committee therefore resolved to recommend to Council that the Planning Code of Conduct be amended as follows:
- (i) Site visits should be requested in advance of the Planning Committee meeting and Councillors should liaise with officers at the earliest opportunity to consider the need for a site visit;
  - (ii) Wherever possible modern technology, such as the use of video recording and satellite imaging, should be made available to the Planning Committee to reduce the need for site visits;
  - (iii) The purpose of a site visit is to gather factual information relating to the planning application;
  - (iv) As a consequence of (iii) the attendance at a site visit shall be the Planning Committee, the relevant officer(s) and (where relevant) statutory consultees only;
  - (v) The Chair shall set out the rules relating to the site visit at the start of the visit;
  - (vi) There shall be no debate or statements during a site visit.
- 2.8 The recommendations of the Audit and Governance Committee will be considered by Council on 8 September and any comments made by the Executive will be reported to Council at the meeting.

### **3. Legal/Financial Controls and other Policy matters**

#### **3.1 Legal Issues**

An up to date Constitution reduces the risk of legal challenges to the decisions of the Council.

#### **3.2 Financial Issues**

Controls will remain in place to ensure financial probity.

#### **3.3 Impact Assessment**

No other impacts have been identified.

### **4. Conclusion**

- 4.1 That Executive should provide any further comments on the proposals for consideration by Council.

### **5. Background Documents**

None

*Contact Officer:*

*Gillian Marshall  
Solicitor to the Council  
Selby District Council  
Gmarshall@Selby.gov.uk*

### **Appendices:**

Appendix A – proposed Financial Procedure Rules

## **FINANCIAL PROCEDURE RULES**

### **Introduction**

The purpose of these Rules is to provide a sound and published framework of financial control within which the whole Council must operate. They link in with other rules and procedures forming part of this Constitution, for example the Budget and Policy Framework Procedure Rules at Part 4, the Responsibility for Functions at Part 3, the Employees' Code of Conduct at Part 5 and the Contract Procedure Rules at Part 4.

These Rules are approved by the Council and apply to every councillor and officer of the authority and anyone acting on its behalf.

Section 151 of the Local Government Act 1972 requires that:

'Every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs.'

The Council's Executive Director with s.151 responsibilities is appointed for the purposes of Section 151. He/she shall also be responsible for maintaining a continuous review of these Rules and submitting any recommendations for additions or changes necessary to the Executive for approval. He/she shall also be responsible for reporting, where appropriate, breaches of the Rules to the Council and/or Executive.'

These Rules, including the financial levels set out herein, may be varied or revoked only by resolution of the Council.

All reports to the Council, committees, and the Executive must contain a financial appraisal setting out the full financial implications arising from the proposal contained in the report. The financial appraisal (or its absence from a report or reports) must be agreed with the Executive Director with s.151 responsibilities

Each Director is individually responsible for the proper financial management of the resources allocated to his/her service area through the budget-making process and for the identification of income arising from activities within his/her operational area. This includes the control of staff and the security, custody and management of assets including plant, equipment, buildings, materials, cash and stores relating to his/her service area. Each Director shall ensure that staff comply with the requirements contained in these Rules.

Assistance to ensure compliance with these Rules can be obtained from the Finance Team.

These Rules aim to achieve financial propriety rather than to act as a barrier to action.

The Executive Director with s.151 responsibilities may delegate in writing certain of his/her responsibilities within these Rules to his/her staff but must retain overall responsibility as the Section 151 officer.

## **1. Revenue Expenditure**

- (a) Every Director shall, in conjunction with the Executive Director with s.151 responsibilities, prepare estimates of their income and expenditure for the following 3 financial years. These estimates shall be in a form and in accordance with deadlines approved by the Executive Director with s.151 responsibilities and shall be prepared in accordance with the Council's Financial Strategy.
- (b) The Executive Director with s.151 responsibilities shall submit the estimates and an annual estimates report to the Executive who shall consider the estimates, and, following consultation with the relevant Overview and Scrutiny Committee(s), shall submit such estimates to the Council recommending any amendments they deem necessary and the Council Tax to be fixed for the ensuing year in accordance with the Budget and Policy Framework Rules at Part 4 of this Constitution.
- (c) Chief Officers or Directors may authorise routine revenue expenditure in implementation of the Council's policies provided due provision has been made in annual estimates or it is within approved virement limits. Diversions expressly provided within estimates as contingencies may be authorised by the Executive Director with s.151 responsibilities, subject to any limitation made by the Council.
- (d) The Executive Director with s.151 responsibilities shall provide the Chief Officers and each Director with periodic statements of income and expenditure in accordance with an agreed timetable under each head of approved estimate. It is the responsibility of each Chief Officer and Director to monitor and regulate those items of income, expenditure commitments and orders under his/her control.
- (e) Any proposal to incur revenue expenditure or to reduce revenue income which is not included in the approved estimates and which cannot be funded by virement within the estimates shall be submitted to the Council with a report subject to the urgency provisions in Rule 4 of the Budget and Policy Framework Rules at Part 4 of this Constitution.
- (f) Virement within estimates shall be subject to the Executive Director with s.151 responsibilities approved virement procedures at Rule 4 of these Financial Procedure Rules.

- (g) Proposals on use of balances and level of Council Tax will be considered by the Executive and recommended to the Council. The annual Council Tax will be set by the Council.
- (h) Proposals to carry forward any underspends shall be approved by the Executive.

## **2. Capital Expenditure**

- (a) The Executive shall, during each financial year and after consultation with the relevant Overview and Scrutiny Committee(s), approve a capital expenditure programme for the next following and subsequent 2 financial years. Such programmes shall be in a form and in accordance with deadlines approved by the Executive Director with s.151 responsibilities and in accordance with the Council's Financial Strategy. Such programmes shall be prepared by the respective Director, in conjunction with the Executive Director with s.151 responsibilities for submission to the Executive and then Council for approval.
- (b) Before embarking on any scheme included in the approved capital expenditure programme, the appropriate officer shall submit details to the Executive and shall incorporate a statement prepared in conjunction with the Executive Director with s.151 responsibilities, showing estimated costs and probable initial and ultimate revenue charge as well as the proposed method of financing.
- (c) If, during the course of the financial year, the need for a capital scheme is identified by the Executive, the scheme must be submitted to the Council with a recommendation that it be added to the capital expenditure programme in accordance with the Budget and Policy Framework Procedure Rules.
- (d) If, during the progress of a scheme, it becomes apparent that the estimated costs originally submitted are likely to be exceeded by £50,000 or more, the relevant Director shall report the facts immediately to the Executive.
- (e) The final certificate of completion of any contract shall not be issued until the appropriate officer, architect, engineer or consultant has produced to the Executive Director with s.151 responsibilities a detailed statement of account and all relevant documents as required.
- (f) The Executive Director with s.151 responsibilities shall to the extent he/she considers necessary examine final accounts for contracts and he/she shall be entitled to make all such enquiries and receive such information and explanations as he/she may reasonably require in order to satisfy himself/herself as to the accuracy of the accounts.

- (g) The final cost of any scheme, when ascertained, shall be reported to the Executive or appropriate Executive Councillor and the Council by the Chief Officers or Director concerned and the Executive Director with s.151 responsibilities.

### **3. Monitoring and control of revenue and capital expenditure**

Quarterly exception reports covering both revenue and capital expenditure and income shall be submitted to the Executive in a form approved by the Executive Director with s.151 responsibilities.

### **4. Virement**

- (a) Virement is a transfer of budget provision within or between budget headings and is an important mechanism in managing budget efficiently within cash limits.
- (b) Virements within approved service revenue expenditure budgets may be agreed by the Executive Director with s.151 responsibilities subject to the limits set out below.
- (c) The approval of the Executive shall be required where the virement is outside the limits set out below, is contrary to the Budget and Policy Framework Procedure Rules, or where the Executive Director with s.151 responsibilities so requires.
- (d) Virement does not create additional recurring overall budget provision.
- (e) Virements are limited to £50,000 both from and to an individual budget in any one financial year.
- (f) Virement is not allowed between the General Fund and Housing Revenue Account nor is it permitted between capital and revenue.
- (g) Virement is not allowed from the following budgets:
  - i) Insurances
  - ii) NNDR
  - iii) capital financing costs
  - iv) internal recharges
  - v) income
- (h) Virement is not allowed from carry-forward budgets.

### **5. Asset Register**

- (a) An Asset Register is maintained by the Executive Director with s.151 responsibilities for the management of the Council's fixed asset accounting. A desktop review of the register is carried out annually

and a full review is carried out every 5 years by an independent valuer.

- (b) An asset for inclusion in the Register is defined as a fixed asset, over a value of £10,000 and with a life and use of over one year.
- (c) Assets are adjusted, where appropriate, for depreciation and where repairs and maintenance expenditure materially adds to the life of the asset.
- (d) It is the responsibility of Chief Officers and Directors to immediately notify any amendments, deletions or additions to the Executive Director with s.151 responsibilities – and provide any information or evidence required. This is also required for insurance purposes.

## **6. Disposal of Land and Capital Assets**

### **(a) Definitions**

- (i) 'Land transaction' means the acquisition or disposal of, or other dealing with land whether or not buildings, plant and equipment, fixtures and fittings, or other assets are included in that transaction.
- (ii) 'Major disposal' means a land transaction which consists of either a disposal of the freehold where the consideration exceeds £50,000, or the grant of lease for more than 7 years or where the rent exceeds £20,000 per annum or where the premium exceeds £50,000.
- (iv) 'Best Consideration' is a principle established by s.123 of the Local Government Act 1972 but has since been extended to allow authorities to dispose of land at less than 'best consideration' subject to it being for certain specific uses, e.g. economic and social well-being. A discount of up to £2 million could be given if justified.

### **(b) Approval of major disposals**

The principal terms and method of each major disposal must be approved by the Executive. When determining such matters the relevant Director, in conjunction with the Executive Director with s.151 responsibilities and the Solicitor to the Council shall prepare a report for the Executive which shall:

- Specify the land to be disposed of.
- Confirm whether that land has been declared surplus to the Council's requirements.
- Advise upon the proposed method of disposal, and provide the reasons for selecting that method.
- In matters where the Council must achieve best

consideration, confirm that the proposed method of disposal which has been selected is most likely to achieve this.

- In matters where it is proposed that the disposal should be for less than best consideration, give reasons for and against seeking best consideration and following consultation with the Solicitor to the Council, specify the relevant legal powers of the Council to accept less than best consideration.

(d) Dealing with formal tenders and offers

- (i) Tenders and offers shall be opened at one time by an officer nominated by the appropriate Director, and the names of tenderers/offers, and the amounts of tenders/offers shall be recorded in a register kept by the Solicitor to the Council. Persons present at the opening of tenders/offers shall record their presence by signing the register against the specified details. Tenders/offers must be opened by the nominated officer and witnessed by a Chief Officer or Director or his/her nominated representative. Alterations/errors in tenders/offers and later or otherwise invalid tenders/offers shall be dealt with in consultation with the Solicitor to the Council.
- (ii) Where there are alterations/errors, or where a tender or offer is received late, or is otherwise invalid, and the relevant Director, in consultation with the Solicitor to the Council, is minded to recommend acceptance, the Director should record the reasons for doing so. All tenderers/offers should be given the opportunity to resubmit their tenders/offers within a given timescale wherever, in the opinion of the relevant Director, it is possible that other tenderers/offers will otherwise be prejudiced.

(e) Disposals by auction

- (i) In disposals where the approved method of disposal is by auction, at least 3 auctioneers approved by the relevant Director must be invited to provide a written quotation as to commission and associated disposal costs and the quote offering best value must be selected by the Director. This provision may be waived by agreement of a Chief Officer in the case of specialist items.
- (ii) A 'reserve price' must be set by the relevant Director in consultation with the Executive Director with s.151 responsibilities (and will be based on an independent valuation). The reserve price must be disclosed only to the auctioneer and the Council's representative attending the auction.



- (c) Approval of land transactions other than major disposals and disposals of other capital assets
  - (i) The principal terms of land transactions other than major disposals and disposals of other capital assets (except where the method of disposal is by way of auction) must be approved by the relevant Director in consultation with the Section 151 Officer.
  - (ii) The decision record must include details of estimated proceeds and their application.
  - (iii) If the proposal represents less than best consideration then following consultation with the Solicitor to the Council the decision record must specify the relevant legal powers of the Council to accept less than best consideration.
  
- (f) Formalities
  - (i) All contracts and other documentation entered into pursuant to all land transactions shall be in writing, and shall be signed or sealed as appropriate.

## **8. Inventories**

- (a) Each Director shall prepare and keep up-to-date an inventory, wherein shall be recorded an adequate description of moveable plant and machinery, transport, furniture, fittings and equipment, office machinery and similar property belonging to the Council and under his/her control. The form in which the inventories shall be kept and the extent to which property shall be recorded is to be determined by the appropriate Director with the concurrence of the Executive Director with s.151 responsibilities.
- (b) Each Director shall be responsible for maintaining an annual check of all items of the inventory, for taking action in relation to surpluses or deficiencies and noting the inventory accordingly.
- (c) The Council's property shall be marked as property of the Council and shall not be removed otherwise than in accordance with the ordinary course of the Council's business or used otherwise than for the Council's purposes except in accordance with specific directions issued by the Director concerned.
- (d) The Executive Director with s.151 responsibilities or his/her representative may at all reasonable times have access to all such property of the Council and may make such checks and tests as he/she deems reasonable.

- (e) Responsibility for the inventory of all computer hardware and software shall lie with the Executive Director with s.151 responsibilities.
- (f) Inventories shall be reviewed from time to time by Directors in consultation with the Executive Director with s.151 responsibilities for the consideration of arrangements for custody and adequate insurance cover.

## **9. Borrowing**

- (a) The Executive Director with s.151 responsibilities' operation of the Council's borrowing shall be subject to compliance with the CIPFA Code of Practice on Treasury Management, the Council's Treasury Management Policy Statement and Strategy and the Prudential Code for Capital Investment in Local Authorities.

## **10. Insurances**

- (a) The Executive Director with s.151 responsibilities shall effect all insurance cover and negotiate all claims in consultation with other Directors where necessary.
- (b) Directors shall give prompt notification to the Executive Director with s.151 responsibilities of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- (c) Directors shall forthwith notify the Executive Director with s.151 responsibilities in writing of any loss, liability or damage or any event likely to lead to a claim and inform the Police if necessary.
- (d) All appropriate employees and volunteers of the Council shall be included in a suitable fidelity guarantee insurance.
- (e) The Executive Director with s.151 responsibilities shall annually, or at such other period as he/she may consider necessary, review all insurances in consultation with other Directors as appropriate.
- (f) Directors shall consult the Executive Director with s.151 responsibilities concerning the terms of any indemnity which the Council is requested to give.
- (g) Directors shall notify the Executive Director with s.151 responsibilities in advance of the acquisition of assets or at the onset of new risks which are likely to require insurance cover, together with an estimate of the cost of the required insurance cover, in order that cover can be arranged once delivery occurs or the risk materialises.
- (h) The Executive Director with s.151 responsibilities shall in matters of urgency undertake to arrange immediate insurance cover where in

his/her opinion this is deemed necessary to cover the risks.

## **11. Banking Arrangements**

- (a) All bank accounts shall be in the name of Selby District Council and no bank account shall be opened without the authority of the Executive Director with s.151 responsibilities. The Executive Director with s.151 responsibilities shall be authorised, on behalf of the Council, to agree an overdraft facility with the Council's bankers as may from time to time be necessary.
- (b) Supplies of cheques shall be ordered only on the authority of the Executive Director with s.151 responsibilities who shall make safe and efficient arrangements for the control, custody and issuing of cheques. He/she shall also make appropriate arrangements for the safe transit and transmission of cash and cheques. Main account cheques shall bear the facsimile signature of the Executive Director with s.151 responsibilities or such other officer as the Council may determine. Cheques over £20,000 to have 2 authorised signatures with at least one being a first signatory.
- (c) The computer printed name of the Executive Director with s.151 responsibilities may be used for crossed cheques up to £20,000 and for open cheques up to £200.
- (d) All advance accounts shall be approved by the Executive Director with s.151 responsibilities and be kept on an imprest basis.

## **12. Imprest/Petty Cash Accounts**

- (a) Payments made from an imprest account shall be limited to minor items of expenditure and to such other items as the Executive Director with s.151 responsibilities may approve and shall be supported by a receipted voucher as required. No income received on behalf of the Council may be paid into an imprest account but must be banked direct into the Council's bank account, or via the Council's cashiers' facility.
- (b) It is a requirement that a certificate be produced by the responsible officer verifying the amount of 'float' held at the end of each financial year and provided to the Executive Director with s.151 responsibilities.

## **13. Treasury Management**

- (a) This Council has adopted CIPFA's Treasury Management Code of Practice 2009 and will adopt any amendments/additions to that Code.
- (b) A Treasury Management Policy Statement shall be adopted by the Council and thereafter its implementation and monitoring shall be delegated to the Executive Director with s.151 responsibilities.

- (c) (i) All money in the hands of the Council shall be under the control of the Executive Director with s.151 responsibilities
- (ii) The Executive Director with s.151 responsibilities shall report to the Executive not less than twice in each financial year on the activities of the treasury management operation and on the exercise of delegated treasury management powers. One such report shall comprise an annual report on treasury management for presentation by 30 September of the succeeding financial year.
- (d) At or before the start of the financial year the Executive Director with s.151 responsibilities shall report to the Executive on the strategy for treasury management it is proposed to adopt for the coming financial year.
- (e) All Executive decisions on borrowing, investment or financing shall be delegated to the Executive Director with s.151 responsibilities who shall be required to act in accordance with CIPFA's Treasury Management Code of Practice 2009.

#### **14. Accounts and Audit**

- (a) The accounts of the Council shall be kept by the Executive Director with s.151 responsibilities and all systems of accounting throughout service areas shall be as agreed with him/her. All accounting procedures adopted shall reflect local government-recommended professional practices and be in accordance with legal requirements. The Executive Director with s.151 responsibilities shall from time to time make such recommendations to the Council regarding the accounting systems and financial operations as he/she may deem necessary.
- (b) The duties of providing information regarding sums due to or from the Council and of calculating, checking and recording these sums, shall be separated as completely as possible from the duty of collecting or disbursing them. Officers charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of these transactions.
- (c) A continuous internal audit, under the direction and control of the Executive Director with s.151 responsibilities, shall provide an appraisal and review of the internal control system as a service to all levels of management and the Council as a whole. It will objectively examine, evaluate and report upon the adequacy of internal controls as a contribution towards the proper and efficient use of resources and to minimise the risk of irregularity occurring.

Chief Officers and Directors, acting collectively, shall have the responsibility to establish internal control to:

- (i) ensure adherence to policies and directives in order to achieve the Council's objectives;
  - (ii) safeguard its assets;
  - (iii) secure the relevance, reliability and integrity of data and information, so ensuring as far as possible the completeness and accuracy of records;
  - (iv) ensure compliance with statutory requirements.
- (d) The Executive Director with s.151 responsibilities or his/her authorised representative shall have authority to:
- (i) enter at all reasonable times any Council premises or land;
  - (ii) have access to all records, documents and correspondence relating to any financial transactions of the Council, including those held by contractors;
  - (iii) require and receive such explanations as are necessary concerning any matter under examination;
  - (iv) require any employee to produce cash, stores or any other Council property under his/her control; and
  - (v) require the assistance of employees at all levels of the Council in the preparation of internal audit reports.
- (e) At the end of each financial year, the Executive Director with s.151 responsibilities shall submit to the Executive a statement of outturn of all revenue expenditure for approval and presentation to the Council. The Executive Director with s.151 responsibilities shall submit the accounts to the Audit and Governance Committee for approval, in accordance with the Accounts and Audit Regulations; the accounts shall then be reported to the Executive and Council.
- (f) Subject to any instruction given by the Council to the Executive Director with s.151 responsibilities, their systems of accounting control and the form of their accounts and supporting records shall be determined by that officer, and he/she shall ensure that, subject to compliance with any such instructions as are mentioned above, the systems of accounting control determined by him/her are observed and that the accounts of the Council are kept up to date.
- (g) Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of the Council or any suspected irregularity in the exercise of the functions of the Council, the Chief Officer or Director concerned shall notify the

Executive Director with s.151 responsibilities who shall satisfy himself/herself as to the arrangements for investigation, report and subsequent action.

- (h) The internal audit function shall be conducted in accordance with the latest professional guidance and its activity will be based on an annual plan and controlled in order to achieve the agreed objectives. Documents shall be produced and records shall be maintained to demonstrate adequate control and professionalism in the delivery of the audit service. The findings and recommendations from each audit review shall be included in a formal report which will be presented to the Executive Director with s.151 responsibilities, the Chief Executive and the Monitoring Officer.
- (i) Internal audit will carry out Value for Money exercises, and provide quality assurance advice and support, in accordance with a programme agreed in advance by the Executive Director with s151 Responsibilities and Directors.

## **15. Income**

- (a) The Executive Director with s.151 responsibilities shall make and maintain arrangements for:
  - (i) the financial organisation, accounting and book keeping necessary to ensure the proper recording of all sums due to the Council; and
  - (ii) the collection, custody, control, disposal and prompt and proper accounting for all cash in all service areas of the Council and has the right to inspect any documents or other evidence in this connection as he/she may decide.
- (b) All monies received on behalf of the Council in any service area shall be deposited promptly with the Executive Director with s.151 responsibilities.
- (c) Large amounts of cash shall not be held overnight unless this is unavoidable. Where money is held overnight, the amount must not exceed limits laid down by the Council's insurers and secure arrangements must exist for safe keeping (approved by the Executive Director with s.151 responsibilities). Keys to safes must be kept by the approved key holder(s) and any loss of such keys must be reported to the Executive Director with s.151 responsibilities immediately.
- (d) Officers must not under any circumstances borrow temporarily from Council monies. Personal money must be kept entirely separate from Council monies and personal cheques must not be cashed out of money held on behalf of the Council.

- (e) Every transfer of official money from one member of staff to another must be evidenced in the records of the service areas concerned by the signature of the receiving officer.
- (f) The Executive Director with s.151 responsibilities shall maintain a Sundry Debtor System. All requests for debts to be raised shall be made on the form provided and signed by the relevant Director. Reports of outstanding debtors shall be provided monthly to the relevant Chief Officer or Director.
- (g) All official receipt forms, account books, tickets and other financial items of a similar nature shall be in a form approved by the Executive Director with s.151 responsibilities and shall be ordered, controlled and issued by him/her and all recorded and acknowledged except for car parking tickets which should be ordered, controlled and issued by a Director, subject to the Executive Director with s.151 responsibilities being satisfied with the control arrangements. The Director of each service area shall be responsible for the safe custody and proper use thereof.
- (h) Particulars of all charges to be made for works done, services rendered or goods supplied by the various service areas of the Council and of all other amounts due shall be promptly notified to the Executive Director with s.151 responsibilities.
- (i) New charges or changes in existing charges shall be approved by the Executive except that
  - (i) the Executive Director with s.151 responsibilities, in conjunction with the Director concerned, may increase the existing charges annually in line with inflation or take account of changes in the rate of VAT.

## **16. Write off of debts and losses**

- (a) No money due to, or inventory items of, the Council shall be written off without the authority of the Executive except that the Executive Director with s.151 responsibilities may, after consulting any Chief Officer or the Director concerned:
  - (i) authorise the writing off of any loss of money or stores or inventory item not exceeding £10,000;
  - (ii) approve the abandonment or remission of any claim for money due to the Council when the sum involved does not exceed £10,000;
  - (iii) write off irrecoverable charges on bankruptcy or liquidation.

## 17. Orders

- (a) Except where a formal contract is made, all orders for work, goods and services shall be issued only by email or printed automatically using the computerised financial management system (i.e. official orders) approved by the Executive Director with s.151 responsibilities provided that the Executive Director with s.151 responsibilities may waive this requirement exceptionally in relation to particular orders such as supplies of public utility services, periodic payments, rent or rates, or otherwise.
- (b) Before an order is issued it shall be established that there is sufficient provision in approved estimates and/or other approvals have been obtained. The provisions of the Contract Procedure Rules shall be followed for obtaining tenders and quotations. The tendered or quoted price of the work, goods or services shall be stated on the order.
- (c) Oral orders shall be confirmed by official order prepared the same day. Any invoices received for which an official order cannot be traced shall be forwarded immediately to the Executive Director with s.151 responsibilities together with an explanatory memorandum. No Chief Officer or Director shall use order forms other than those electronic orders provided by the financial management system.
- (d) All orders shall, so far as possible, be issued in sufficient detail to identify completely and accurately the work, goods or service required, and shall specify where applicable the quotation, contract or other relevant agreement.
- (e) Orders shall be authorised by the appropriate Chief Officer or Director or other officer authorised by him/her after consultation with the Executive Director with s.151 responsibilities to approve on his/her behalf, provided that officers authorised to approve orders shall approve in their own name. The names of officers authorised to approve/sign such orders shall be sent, annually or on request, to the Executive Director with s.151 responsibilities by each Chief Officer or Director together with specimen signatories and shall be amended on the occasion of any change.
- (f) All orders shall be placed in accordance with the requirements of the Contract Procedure Rules in respect of the invitation of tenders and quotations.
- (g) An officer ordering materials shall consider the use of any central purchasing arrangements and to the possibilities of the standardisation of supplies and materials.
- (h) Any previously owned vehicles being purchased by the Council must be subject to a satisfactory data check on the vehicle's history by the Executive Director with s.151 responsibilities before the Council is



committed to the purchase of the vehicle.

## **18. Payment of Expenditure**

- (a) All payments by the Council, except payments authorised under imprest accounts, and payments of salaries and wages shall be made by the Executive Director with s.151 responsibilities who shall satisfy himself/herself from time to time that there are proper arrangements in place to ensure that any amount is properly due and only such amounts are paid by the Council.
- (b) Each Director shall be responsible for arranging to have checked and certified all invoices, claims and accounts and input where appropriate arising to be dealt with in his/her service area as to their correctness in every respect. All such invoices, claims and accounts so checked and certified and complete with details of allocation and coding shall be passed without delay to the Executive Director with s.151 responsibilities so that they may be processed for payment. The names of officers authorised to certify monies for payment shall be sent, annually or on request, to the Executive Director with s.151 responsibilities by each Director together with specimen signatures, and shall be amended on the occasion of any change.
- (c) Directors shall ensure that there is a division of duties between processing of orders, receipt of goods or services and certifying of invoices.
- (d) Certification shall mean:
  - (i) an official order has been issued in compliance with Rule 17 or falls within the exceptions authorised by that Rule;
  - (ii) the work, goods or services to which the account relates have been received, carried out, examined and approved;
  - (iii) the prices, arithmetical accuracy, trade discounts, other allowances, credits and tax are correct and in accordance with quotations, contracts and valuations;
  - (iv) any VAT element of the payment has been correctly identified;
  - (v) the relevant expenditure has been properly incurred, is within the relevant estimate provision and is coded to the correct heads of expenditure;
  - (vi) the account has not been previously passed for payment and is a proper liability of the Council.
- (e) Each Director shall submit urgently and in sufficient time for the discount to be obtained all certified and checked invoices, claims and

accounts subject to discount for prompt payment.

- (f) Each Director shall, to the extent requested by the Executive Director with s.151 responsibilities and by the date specified, notify him/her of outstanding expenditure relating to the previous financial year.
- (g) Any voucher or other document relating to the financial transaction of the Council shall be retained for a minimum of 6 years.
- (h) When an invoice is found to be incorrect it must not be amended by an officer, but a revised account must always be requested from the creditor. Any alteration will result in the account being invalid for the purposes of VAT where applicable.
- (i) Payments will not be made on photocopies or fax copies of invoices.
- (j) Payment will be made direct to the creditor or his/her bank.
- (k) The payment of the sums due from the Council shall be made by the Executive Director with s.151 responsibilities after entry on a Payments Listing.
- (l) Payments Listing shall be as follows:
  - (i) a weekly Payments Listing which shall be for routine payments;
  - (ii) an Urgent Payments Listing for payments not covered by sub-section 16 (a) above on a daily basis as required.
- (m) Payments shall be made within 30 calendar days of receipt of invoice unless agreed otherwise by the Executive Director with s.151 responsibilities.

## **19. Wages and Salaries**

- (a) The payment of all salaries, wages, pensions and other emoluments and authorised payments to all employees or former employees of the Council shall be the responsibility of the Directors.
- (b) The Directors are responsible for initiating changes to the payroll shall maintain such records and supply certified and authorised information as may be necessary to ensure the prompt and accurate payment of salaries, wages, pensions and other emoluments.
- (c) Responsible officers shall notify the Directors as soon as possible, in the agreed form and manner of all matters affecting the payment of such emoluments and in particular:
  - (i) appointments, resignations, dismissals and transfers, changes in remuneration, other than normal increments and pay awards

and agreements in general;

- (d) Responsible officers shall notify the Directors in respect of :
  - (i) absences from duty for sickness or other reason, apart from approved leave;
  - (ii) information necessary to maintain records of service for pensions, income tax, national insurance and the like.
- (e) Time sheets shall be certified by the Chief Officer or Director of the service area concerned or certified by the appropriate delegated authorised officer.
- (f) All records relating to salaries, wages, social security, superannuation and income tax payments of the Council's employees shall be kept by the Directors who shall be responsible for the payment of such salaries and wages.

## **20. Stores**

- (a) Each Director shall be responsible for the proper custody of stores held by him/her.
- (b) The accounts to be kept in connection with the receipt and issue of stores shall be in such form as shall be agreed with the Executive Director with s.151 responsibilities and shall be subject to his/her examination and check at such times as he/she thinks fit.
- (c) The Executive Director with s.151 responsibilities in conjunction with the Director concerned shall make such arrangements for stock-taking as the Executive Director with s.151 responsibilities may deem necessary.

## **21. Security**

- (a) Each Director shall be responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash, etc, under his/her control.
- (b) Maximum limits for cash holdings in accordance with insurance shall be agreed with the Executive Director with s.151 responsibilities and shall not be exceeded without his/her express permission.
- (c) Keys to safes and cash receptacles are to be carried on the person of those responsible at all times. The loss of any keys must be reported to the Executive Director with s.151 responsibilities forthwith.
- (d) Each Director shall be responsible for maintaining appropriate security

measures to ensure against unauthorised access to, or alteration, disclosure or destruction of, personal data and against accidental loss or destruction of personal data in accordance with data protection legislation in force at any time.

- (e) The Executive Director with s.151 responsibilities shall be responsible for maintaining proper security and privacy of information held in the computer installation or for its use.

## **22. Travel and Subsistence Allowances etc**

- (a) Travel claim forms should be completed for each calendar month and submitted to the appropriate Director.
- (b) Claims for expenses (including rail fares) and subsistence must be accompanied by receipts showing VAT where applicable, and submitted to the appropriate Director.
- (c) Claims for mileage allowance will be paid with salary and not reimbursed through petty cash.
- (d) Claims must be authorised by the Chief Officer or Director or appropriate delegated authorised signatory. Chief Officers and Directors shall be responsible for ensuring that payment of travel and subsistence expenses are checked as valid and accurate prior to certification. Certification by or on behalf of the Chief Officer or Director shall be taken to mean that the certifying officer is satisfied that the journeys made were authorised, the expenses properly and necessarily incurred, and that the allowances are properly payable by the Council.
- (e) All officers who use their private cars for official journeys shall indemnify the Council against claims from third parties and shall produce their driving licence, insurance policies and/or renewal receipts as required by the Executive Director with s.151 responsibilities.
- (f) Payments to councillors for travel or other allowances, in accordance with the appropriate statutory provisions, will be made by the Executive Director with s.151 responsibilities upon receipt of the prescribed form duly completed. Councillors are encouraged to submit claims on a monthly basis for expenditure to be accounted for within the appropriate month.

## **23. Irregularities**

- (a) Where any officer has cause to suspect irregularity he/she shall inform his/her Director who will inform both the Chief Executive and the Executive Director with s.151 responsibilities and provide facilities for investigation to the Council's Auditors, as stated in the Whistle-Blowing

Policy adopted by the Council.

- (b) Should it be considered that irregularity has occurred or is occurring, the Head of Paid Service, Section 151 Officer or Monitoring Officer shall consider whether it is appropriate to inform the Leader and prepare a report for the Executive.

**24. Grant applications and claims**

- (a) All applications and claims for external grants made on behalf of the Council (whether capital or revenue) shall be approved by the Executive Director with s.151 responsibilities.
- (b) Proposals for new initiatives which are to be funded by external grants shall be subject to business case approval by the Executive Director with s.151 responsibilities except where such initiatives will require additional funding (either capital or revenue) beyond that contained within the approved estimates.
- (c) Approval of the Executive with a report to the Council shall be required where grant funded initiatives will require additional funding (either capital or revenue) beyond that contained within the approved estimates.