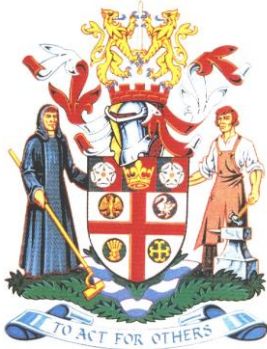


Selby District Council



Agenda

Meeting: **Executive**
Date: **Thursday, 24 May 2018**
Time: **4.00 pm**
Venue: **Committee Room - Civic Centre, Doncaster Road, Selby, YO8 9FT**
To: **Councillor M Crane (Chair), Councillor J Mackman (Vice-Chair), Councillor C Lunn, Councillor C Metcalfe and Councillor C Pearson**

1. **Apologies for Absence**
2. **Minutes (Pages 1 - 4)**

The Executive is asked to approve the minutes of the meeting held on 3 May 2018.

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.

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. Scrutiny Review 2018 (Pages 5 - 30)

Report E/18/01 presents recommendations to the Executive for the improvement of Scrutiny at Selby District Council.

5. Final Results and Budget Exceptions Report to 31 March 2018 (Pages 31 - 62)

Report E/18/02 presents the Council's financial results and budget exceptions report to 31 March 2018, and asks the Executive to approve a number of transfers as detailed in the report.

6. Treasury Management - Annual Review 2017/18 (Pages 63 - 70)

Report E/18/03 asks the Executive to approve the Treasury Management Annual Review 2017/18, and to endorse the actions of officers in relation to treasury activities.

Janet Waggott

**Janet Waggott
Chief Executive**

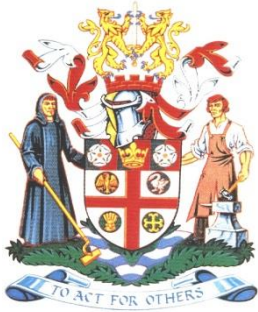
Date of next meeting
Thursday, 7 June 2018 at 4.00 pm

For enquiries relating to this agenda please contact Palbinder Mann, on 01757 292207 or pmann@selby.gov.uk

Recording at Council Meetings

Recording is allowed at Council, committee and sub-committee meetings which are open to the public, subject to: (i) the recording being conducted with the full knowledge of the Chairman of the meeting; and (ii) compliance with the Council's protocol on audio/visual recording and photography at meetings, a copy of which is available on request. Anyone wishing to record must contact the Democratic Services Manager using the details above prior to the start of the meeting. Any recording must be conducted openly and not in secret.

Selby District Council



Minutes

Executive

Venue:	Committee Room - Civic Centre, Doncaster Road, Selby, YO8 9FT
Date:	Thursday, 3 May 2018
Time:	4.00 pm
Present:	Councillors M Crane (Chair), J Mackman (Vice-Chair), Lunn, C Metcalfe and C Pearson
Officers Present:	Janet Waggott (Chief Executive), Dave Caulfield (Director of Economic Regeneration and Place), Julie Slatter (Director of Corporate Services and Commissioning), Karen Iveson (Chief Finance Officer), Gillian Marshall (Solicitor to the Council), Caroline Skelly (Planning Policy Manager) (for minute item 99), Iain Brown (Economy and Infrastructure Manager) (for minute item 100), Mike James (Media and Communications Manager), and Palbinder Mann (Democratic Services Manager)
Public:	0
Press:	2

NOTE: Only minute numbers 99 to 101 are subject to call-in arrangements. The deadline for call-in is 5pm on Thursday 17 May 2018. Decisions not called in may be implemented from Friday 18 May 2018.

96 APOLOGIES FOR ABSENCE

There were no apologies for absence.

97 MINUTES

The Executive considered the minutes of the meeting held on 12 April 2018.

RESOLVED:

To approve the minutes of the meeting held on 12 April 2018 for signature by the Chair.

98 DISCLOSURES OF INTEREST

There were no disclosures of interest.

99 AUTHORITY MONITORING REPORT (AMR)

Councillor John Mackman, Lead Executive Member for Place Shaping presented the Council's Authority Monitoring Report which was required under section 35 of the Planning and Compulsory Purchase Act 2004.

The Lead Executive Member for Place Shaping explained that the Council was legally required to publish an Authority Monitoring Report and that the current report covered a two year period. The Executive were informed of the following key points concerning the report:

- There had been 561 residential building completions in 2016/17 compared to the target of 450 which was in the Council's Core Strategy.
- Over 500 new homes had been completed in 2017/18 which was well over the target in the Council's Five Year Housing Land Supply.
- There had been a mixture of three, four and five bedroom houses being completed.
- The first Neighbourhood Plan for the area for Appleton Roebuck and Acaster Selby had been adopted and three more areas had been designated for neighbourhood plans.

It was suggested that it might be helpful to show the figure for the Community Infrastructure Levy (CIL) as a net figure due to 25% of the income received going to parishes. The Planning Policy Manager explained that this information was contained within the report.

RESOLVED:

To endorse the Authority Monitoring Report and publish it on the Council's website.

REASON FOR DECISION

The publication of the Authority Monitoring Report is a requirement of the Planning and Compulsory Purchase Act 2004.

100 PROGRAMME FOR GROWTH - UPDATE ON EXISTING PROGRAMME AND PROPOSED NEW PROGRAMME

The Leader of the Council presented the report that gave an overview of progress on the existing Programme for Growth, seeks approval for a proposed new programme of projects and outlines proposals for strengthening overall programme management and governance in response to the key recommendations from the recent Local Government Association (LGA) Peer Review.

The Executive were supportive of the programme and praised the work that had been completed so far however were mindful that the Council had a number of significant projects currently in process and therefore the projects in the Programme for Growth needed to be prioritised to ensure they were deliverable.

Discussion took place on the financial sustainability of projects and it was noted that further details for this and other details would be contained in the business cases for each project.

RESOLVED:

- i) To note the progress on the existing Programme for Growth as set out in paragraphs 2.1 to 2.7 and Appendix A of the report and approve the carry forward of the identified projects and associated budgets.**
- ii) To approve the new Programme for Growth Projects and associated budgets as set out in Appendix C of the report**
- iii) To note the strengthened programme management and reporting arrangements set out in paragraphs 2.17 to 2.22 of the report.**

REASON FOR DECISION

To note progress on the existing Programme for Growth and approve the new Programme for Growth Projects as a key way of

delivering the Council's corporate priorities and objectives as set out in the Corporate Plan and the Council is strengthening governance and programme management arrangements.

101 EXECUTIVE APPOINTMENTS ON OUTSIDE BODIES 2018/19

The Leader of the Council presented the report that asked the Executive to consider the appointments to Outside Bodies for 2018/19 and make any changes as appropriate.

It was agreed that clarification was needed on how many appointments the Council had on the Local Government Association and it was agreed that this would be looked into.

It was also agreed to add the Humber Strategy Forum to the Outside Bodies list with Councillor John Mackman being the Council appointment and Councillor Mark Crane as the substitute.

RESOLVED:

To make the Executive appointments to Outside Bodies as outlined at Appendix A for the 2018/19 Municipal Year with the above amendment.

REASON FOR DECISION

To ensure the Council is represented on outside bodies as necessary in 2018/19.

The meeting closed at 4.26 pm.



Report Reference Number: E/18/01

To:	Executive
Date:	24 May 2018
Status:	Non-key decision
Ward(s) Affected:	All
Author:	Victoria Foreman, Democratic Services Officer
Lead Executive Member:	Councillor Mark Crane, Leader of the Council
Lead Officer:	Gill Marshall, Solicitor to the Council

Title: Scrutiny Review 2018

Summary:

An effective scrutiny function in local government is essential to fair and transparent decision making. The Corporate Peer Challenge undertaken in November 2017 by the Local Government Association (LGA) outlined that the scrutiny arrangements at the Council “appeared weak and are in need of review”. There are a number of ways in which scrutiny at Selby can be improved, and this report sets out how this could be achieved. At the scrutiny training provided by Kirklees Council, a number of themes, actions and goals were identified from the work of Members present at the sessions, which have been subsequently presented to the Scrutiny Working Group for consideration. The recommendations for the Executive, as set out below, are a reflection of the discussions had at the Kirklees training on 12 April 2018 and at the meeting of the Working Group on 24 April 2018.

Recommendations:

The Executive is asked to note:

- i) The development of Terms of Reference for ‘deep dives’ or ‘scrutiny in a day’ reviews looking initially at planning enforcement, housing, antisocial behaviour and the Safer Selby Hub.**
- ii) Officers will work with the Chair of Scrutiny to understand what kind of support would be most appropriate for scrutiny at Selby.**
- iii) The circulation of the 2018/19 Executive meeting dates at the next meeting of the Scrutiny Committee (5 July 2018) to ensure that a member of the committee attends each Executive meeting.**
- iv) The arrangement of further scrutiny training for Members.**

The Executive is asked to agree:

- v) **The establishment of a liaison group between the Chairs of Scrutiny and the Executive, to meet on a quarterly basis, to discuss the Executive's Forward Plan and the Committees work programme.**
- vi) **To recommend to Council the development of a role profile for the Chair of Scrutiny.**

Reasons for recommendations

The Executive are asked to note and agree the recommendations above in order to ensure that the work to improving scrutiny, as recommended by the Peer Challenge Team and set out in the Council's Peer Challenge Improvement Plan, is progressed.

1. Introduction and background

- 1.1 The Corporate Peer Challenge undertaken at Selby in November 2017 by the Local Government Association outlined that the scrutiny arrangements at the Council '...appeared weak and are in need of review'. The Peer Challenge Team identified the need for improvement as one of their key recommendations, and further on in their report, expanded on the reasons for this assessment:

'4. Review and improve scrutiny arrangements to ensure that there is healthy and adequate challenge within the Council to help with improvements.

Scrutiny arrangements in the Council appear weak and are in need of review. Clearly, as in many local authority areas, there is work to be done on thinking this through. We therefore recommend that you explore ways to provide support to the Scrutiny Committee to consider the benefits of aligning and coordinating its work plan with the Corporate Plan. This will enable it to scrutinise the delivery and impacts of the priorities of the Plan. It can do this by scrutinising work through commissions and deep-dives around key work programme areas, strategic priorities, and critical issues impacting on Selby district's citizens.'

- 1.2 As a response to the LGA's report, the Council has produced an Improvement Plan to address the issues highlighted by the Peer Challenge, including the scrutiny arrangements. The Council will review existing scrutiny arrangements, report recommendations to the Executive and develop proposals for revised arrangements for implementation. The work on the review of scrutiny began with the Kirklees training on 12 April 2018, as a result of which shorter and long term actions were identified.
- 1.3 A national review on the effectiveness of scrutiny has also recently been undertaken by central government. The Communities and Local Government Select Committee published their report in December 2017, and made various points and recommendations, a number of which could be considered when reviewing the scrutiny arrangements at Selby:
 - All responsible council leaderships should recognise the potential added value that scrutiny can bring, and heed the lessons of high profile failures of scrutiny such as those in Mid Staffordshire and Rotherham.

- Executive Members should attend meetings of Scrutiny Committees when invited to do so but only as witnesses and to answer questions from the Committee.
 - It is vital that the role of scrutiny chair is respected and viewed by all as being a key part of the decision-making process; effective and impartial scrutiny chairs are essential. Chairs must be appointed in a way as to ensure that the independence of scrutiny committees is maintained.
 - Transparency and a Committee's ability access to information (even commercially sensitive information) are essential.
 - External experts should be encouraged to play a greater role in scrutiny, and engagement with service users and the public when forming understanding of a given subject is to be commended.
 - Scrutiny members should have enough prior subject knowledge to prevent meetings becoming information exchanges at the expense of thorough scrutiny, e.g. listening and questioning skills are essential and capacity to constructively critique the Executive rather than following party lines.
 - Scrutiny committees must be able to monitor and scrutinise the services provided to residents, including services provided by public bodies and commercial organisations, including Local Enterprise Partnerships (LEPs).
- 1.4 The Government responded to the Select Committee's report in March 2018; it plans to issue new guidance on scrutiny (the last guidance of any kind having been issued in 2006) and is open to further discussion on the election of scrutiny chairs by other councillors (rather than their appointment).
- 1.5 The importance of good scrutiny has also been emphasised in the recent inspection report into budgetary issues at Northamptonshire County Council (NCC):
- 'The Inspection team challenged the scrutiny process and noted that there had been no attempt to review either successful or unsuccessful budget inclusions in past years to learn lessons as to why things went well or failed to be delivered. The inspection team noted that this year's draft budget had been subject to scrutiny albeit to a very compressed timetable and that this had resulted in the removal of a number of items as they were still red rated or unachievable. Given that the budget process in NCC starts in the autumn it would have been possible to release some topics for examination much earlier which might have resulted in better proposals which could have been deliverable.'*
- 1.6 In order to change the scrutiny arrangements at Selby and ensure its effective operation, some consideration needs to be given as to how the current arrangements are working and what changes can be made to improve this.

2. The Report

Current Arrangements at Selby

- 2.1 Selby District Council currently has two scrutiny committees and an Audit and Governance Committee. The Terms of Reference for both Committees are attached at Appendix A, and details of Special Responsibility Allowances are set out at Appendix B in the Council's Member Allowances Scheme.
- 2.2 Previous work has been undertaken with Scrutiny Members on developing techniques to select topics for its work programme, and external training has been provided on developing scrutiny and improving Members' questioning skills. However, the peer challenge findings suggest that more work is still required in these areas.
- 2.3 The current Overview and Scrutiny Committee has seven members and meets on a quarterly basis to consider topics selected on its work programme. Following suggestions from officers, it has recently expanded the topics it considers and has begun receiving reports relating to quarterly budget updates, the Programme for Growth and Olympia Park. Its work programme continues to contain effective and key topics for it to consider; however, further work needs to be undertaken with the Committee to expand the areas it looks at and to improve skills such as providing effective questioning of officers presenting reports. The Committee also needs to have greater input into its work programme to ensure it identifies effective topics to consider. The Committee's work programme for 2017/18 is attached at Appendix D.
- 2.4 The Policy Review Committee has seven members and meets on a quarterly basis to consider items relating to the budget or policies of the Council. However, there has been a difficulty in creating and maintaining an effective work programme which has meant that the Committee has met only four times since June 2017, due to a lack of business and items coming forward to the Committee's work programme. The Committee's work programme for 2017/18 is attached at Appendix E.
- 2.5 The Council's Audit and Governance Committee has seven members and meets on a quarterly basis. The business considered at the Committee is mostly statutory in nature, i.e. internal and external audit, accounts, risk and the Council's budget.

Training from Kirklees

- 2.6 On 12 April 2018, Kirklees Council delivered training sessions for members of the Executive and the Policy Review, Scrutiny and Audit and Governance Committees. The training's aims were to refresh Members' understanding of scrutiny, identify what effective scrutiny looked like, how it currently operated at Selby, areas of improvement and development of work programmes. The training was well received by those that attended, and through discussion and group work in both the Executive and Scrutiny sessions, a number of common themes were identified. These common themes are set out below:

- A more defined/stronger role for the Chair of Scrutiny through development of a role profile.
- More attendance by external partners, i.e. Police, Fire, MP etc.
- Better Member-led work programming, taking into consideration officer priorities, the Forward Plan, the Corporate Plan and Service Plans, including more pre-decision scrutiny and officer consultation with Scrutiny.
- Training for Scrutiny Members on scrutiny and its role, but also on technical aspects such as finance.
- Developing a better working relationship between the Executive and Scrutiny, such as communication and feedback on Scrutiny recommendations, and looking at how Scrutiny reports back to the Council and Executive.
- More task and finish groups/'deep dives' into specific issues, appropriately scoped and timetabled (e.g. Better Together, Planning Enforcement).
- Investigate the potential of co-opted members on the committee.
- Better communications and promotion around the work of Scrutiny to boost its profile, across the Council and externally, linking through to encouraging public involvement.

2.7 The themes set out above informed the development of a number of actions, both immediate and for the longer term, for strengthening scrutiny at Selby. The immediate actions identified were as follows:

- Develop a role profile for the Chair of Scrutiny.
- Work programming workshops with input from officers and Corporate, Forward and Service Plans.
- Identify the external partners Members are interested in hearing from.
- Identify and arrange training sessions (e.g. by Centre for Public Scrutiny/Local Government Information Unit).
- Place work planning at the top of agendas.
- Identify issues for 'deep dives' (linked to work programming).
- Develop a better working relationship between Executive and Scrutiny through meetings between the Executive and the Chair of Scrutiny.

2.8 The longer-term goals identified were as follows:

- Review structure of Scrutiny for potential implementation from May 2019.
- Develop the communications around Scrutiny and raising its profile both inside and outside the organisation.
- Develop public engagement in scrutiny and investigate the co-option of members of the public.
- Examine how Scrutiny reports back to Council and the Executive.

2.9 At the training event, some Members of the Scrutiny Committee also suggested that there should be a dedicated Scrutiny Officer who solely worked on supporting scrutiny at the Council. However, this would not be feasible for financial reasons and due to the Council's size and current number of scrutiny committees. Additionally, aside from City of York Council

and North Yorkshire County Council, no other North Yorkshire authority employs officers solely dedicated to scrutiny and nationally, such officers tend to be employed at larger authorities. However there are resources available within the Council who are able to support Scrutiny. It is therefore suggested that officers work with Scrutiny to put in place a package of support for the scrutiny function.

Moving Forward and Next Steps

- 2.10 As a result of the training outcomes outlined above and the view expressed by the Peer Review team, it is clear that changes are required to the scrutiny arrangements at the Council to ensure they perform the duties and the role that is required of them.
- 2.11 Members expressed an interest in being involved in reviewing the scrutiny function. The Scrutiny Working Group, which had previously been convened to examine different options at the last review of scrutiny in 2016, was reconvened and met on 24 April 2018. The Working Groups considered the outcomes, actions and goals from the Kirklees training, as set out above. The Working Group subsequently made a number of recommendations as to the practical 'next steps' in the current review of scrutiny. The Executive are asked to note and endorse these recommendations:
- Develop Terms of Reference for 'deep dives' or 'scrutiny in a day' reviews starting by looking at planning enforcement, housing, antisocial behaviour and the Safer Selby Hub.
 - Officers to work with the Chair of Scrutiny to understand what kind of support would be most appropriate for scrutiny at Selby.
 - Establish a liaison group between the Chairs of Scrutiny and the Executive, to meet on a quarterly basis to discuss the Executive's Forward Plan and the Committee's work programme.
 - Circulate the 2018/19 Executive meeting dates at the next meeting of the Overview and Scrutiny Committee (5 July 2018) to ensure that a member of the committee attends each Executive meeting.
 - Develop a role profile for the Chair of Scrutiny (see Appendix C for an example role profile from Kirklees Council).
 - Arrange further scrutiny training for Members.
- 2.12 The Scrutiny Working Group will continue to meet and consider the work of improving scrutiny throughout 2018/19. It is anticipated that by using this year to develop and enhance scrutiny, the need for any further substantial changes will be identified by Members in time for formal implementation in the 2019/20 municipal year.
- 2.13 The Executive are asked to endorse the recommendations of the Scrutiny Working Group as set out above, and make any comments on the Scrutiny Review.

3. Alternative Options Considered

- 3.1 None.

4. Implications

4.1 Legal Implications

Effective Scrutiny arrangements form part of the governance framework of the Council.

4.2 Financial Implications

Travel expenses may be incurred for Councillors attending meetings.

4.3 Policy and Risk Implications

Not applicable.

4.4 Corporate Plan Implications

The Council's Corporate Plan sets out long term plans to make Selby District a great place to do business, enjoy life, make a difference, supported by the Council delivering great value. An effective scrutiny function is essential to fair and transparent decision making, which underpins the work of the Council.

4.5 Resource Implications

Through improving the work of scrutiny at Selby there may be some minor resource implications for officers in supporting the work of the Committees, such as reviews or 'deep dives' into specific subjects. It is anticipated that these will be contained within existing budgets.

4.6 Other Implications

Not applicable.

4.7 Equalities Impact Assessment

Not applicable.

5. Conclusion

- 5.1** In order to ensure the Peer Challenge Team's recommendations (and subsequent actions on the Council's Improvement Plan) are progressed, the Executive is asked to note and agree the recommendations set out above. The work to strengthen scrutiny at Selby District Council will be ongoing, and the agreement of the recommendations in the report is required in order to start the process.

6. Background Documents

Northamptonshire County Council Best Value Inspection Report - January to March 2018, Ministry of Housing, Communities and Local Government
<https://www.gov.uk/government/publications/northamptonshire-county-council-best-value-inspection>

7. Appendices

Appendix A – Terms of Reference for Scrutiny and Policy Review Committees

Appendix B – Members' Allowances Scheme

Appendix C – Example of a role profile for the Chair of Scrutiny (Kirklees Council)

Appendix D – Scrutiny Committee Work Programme 2017/18

Appendix E – Policy Review Committee Work Programme 2017/18

Contact Officer:

Victoria Foreman
Democratic Services Officer
vforeman@selby.gov.uk
01757 292046

3.5.1 Policy Review Committee

1. To contribute to the development of the policies contained in the Budgetary and Policy Framework of the Council.
2. To consider and undertake policy reviews referred by the Executive.
3. To propose and undertake an annual programme of work of policy reviews or inquiries into existing Council policy.
4. To consider and comment upon the implications on Selby District of the policies of partner organisations and other agencies delivering public services in the District.

3.5.2 Scrutiny Committee

1. To scrutinise the performance of the Council and that of its partner organisations and other agencies delivering services within the Selby District.
2. To exercise the Council's statutory obligations and powers in relation to Overview and Scrutiny.
3. Exercise the right of call-in of decisions and recommendations made but not yet implemented.
4. To issue reports and make recommendations, where appropriate, and in relation to any matters listed above, for consideration by the Council, Executive or the relevant committee of the Council

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MEMBERS' ALLOWANCE SCHEME**1. BASIC AND SPECIAL RESPONSIBILITY ALLOWANCES**

The present scheme was adopted by Council in February 2017 following a review of Members' Allowances by an Independent Remuneration Panel.

The scheme provides for a Basic Allowance payable to all Members together with an allowance for Members who have a Special Responsibility. No Member is entitled to receive more than one Special Responsibility Allowance.

Basic Allowance per annum (per Member)	£4,288.23
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SPECIAL RESPONSIBILITY ALLOWANCES:

• Leader of the Council	£10,720.58
• Deputy Leader	£5,574.70
• Executive Members	£5,145.88
• Opposition Group Leader	£2,144.12
• Chair of Overview and Scrutiny Committee	£3,216.17
• Chair of Policy Review Committee	£3,216.17
• Chair of Audit Committee	£2,144.12
• Chair of Planning Committee	£4,288.23
• Licensing Committee	£3,216.17

The Members' Allowances Scheme will be indexed for the next four years (2017-2021 to match local government pay settlements using the National Joint Council (NJC) annual cost of living pay award agreed for Council staff.

2. TRAVEL AND SUBSISTENCE

The travel and subsistence allowances payable to Members' are line with the Officer's Travel and Subsistence Policy.

TRAVEL

Members' are entitled to claim travelling costs for attending meetings and other duties associated with being a Councillor however travel costs for attending political group meetings will not be paid.

All travel claims must be supported by receipts and must be submitted within three months of the meeting/engagement for which they are claiming taking place.

Procedure

All travel claims are to be submitted on a travel claim form. Payment will be made through the payroll on a monthly basis. The form should be submitted by the payroll deadline set.

Taxis

The cost of taxis may be reimbursed where their use is considered essential.

SUBSISTENCE

Daily Subsistence Allowance

Breakfast	-	£8.07
Lunch	-	£11.14
Evening Meal	-	£13.81

Subsistence Guidelines

Breakfast

Payable where training or course commences before 8.00am.

Lunch

Payable where the Councillor is attending a meeting or event on Council business outside of the district and is prevented from taking their lunch their place of residence between 12.00 noon and 2.00pm. .

Dinner

Payable where the Councillor returns after 8.30 pm having worked away on Council business in a location outside of the district.

Overnight Accommodation

Before Members can claim for overnight accommodation, prior approval is required. This should come from Democratic Services.

3. MEMBERS' ICT ALLOWANCE

Members will be paid a £10 monthly ICT allowance for home broadband and consumable only.

Where Members are provided with a tablet device by the Council then they will be subject to an acceptable usage policy for Members in line with that of the Council's ICT acceptable use policy for staff

4. DEPENDENTS' / CHILD CARERS' ALLOWANCE

Members will be able to be reimbursed on the production of receipts or evidence of expenditure, for costs incurred with regard to the care of their children or dependents when undertaking the following official duties:

- Attendance at a meeting of the Council including any Committee, Sub-Committee or Working Party of the Council;
- Attendance at any outside body to which the Council makes appointments or nominations, or at any Committee or Sub-Committee of such a body;
- Attendance at a meeting of the Executive or of any other meetings in the role of an Executive Member;
- Attendance at a meeting of any association of Authorities of which the Council is a member.

Any costs will be reimbursed at the rate of the National Living Wage and will include reasonable travel time to and from the location of the meeting.

5. THE CHAIRMAN'S ALLOWANCE

The Chairman will have a budget of £5,910 to support their year in office. This will be split into an allowance of £1,000 and a budget for £4,910 to assist with support and fundraising during their civic year. Any remaining money in the Chairman's budget at the end of their civic year will be given to the Chairman's chosen charity.

6. The VICE CHAIRMAN'S ALLOWANCE

The Vice Chairman will have an allowance of £500 to support their year in office.

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Chair of Overview and Scrutiny – Kirklees Council

In addition the duties and responsibilities identified for Overview and Scrutiny Management Committee Members, the Chair of Overview and Scrutiny will:

- Lead and promote the overview and scrutiny function
- Manage and co-ordinate the overview and scrutiny function
- Maintain effective liaison with the Leader of the Council and the Chief Executive to ensure that overview and scrutiny contributes to effective decision-making in Kirklees.
- Represent overview and scrutiny in Council and be accountable to Council for the actions of overview and scrutiny.
- Ensure that overview and scrutiny is publicised and communicated to build understanding of its role both within and outside the Council.
- Represent Kirklees at regional and national forums concerned with overview and scrutiny.
- Represent the Overview and Scrutiny Committee on relevant boards and panels.
- Maintain an overview of scrutiny in Kirklees and to learn from practice elsewhere
- Ensure the continuing development of overview and scrutiny in Kirklees through improving both how it is organised as well as the practice.
- Encourage the involvement of all interested parties and stakeholders, individuals, voluntary and community groups in overview and scrutiny matters.
- Be responsible for personal development and undergo appropriate development and continuous improvement for any role undertaken.
- Oversee training and development of all involved in the work of Overview and Scrutiny
- Oversee, and participate in, the recruitment of voluntary recruitment and assignment.

Governance and Decision Making

A Kirklees Chair of Overview and Scrutiny will:

- Chair the meetings of the Overview and Scrutiny Management Committee and any Ad Hoc Panels as appropriate
- Ensure that scrutiny work is properly coordinated
- Maintain an oversight of overview and scrutiny in order to ensure effective co-ordination and progress of all work.
- Monitor progress of all scrutiny reviews and ensure that they are completed in reasonable time.
- Receive all requests for scrutiny and determine the approach to take.
- Monitor the use of ‘notices of concern’ and ‘call-in’ procedures to advise on whether the procedure is being used appropriately.
- Be responsible for the constitutional arrangements relating to the waiving of call in where decisions are “urgent” and / or not on the forward plan. Be responsible for maintaining the standards expected from Overview and Scrutiny in Kirklees.

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Scrutiny Committee Work Programme for 2017/18

Please note that any items 'called in' will be considered at the next available meeting. Councillor Call for Action will also be considered at the next available meeting.

Date of Meeting	Topic	Action Required
6 July 2017	Annual Report 2016/17	For the Committee to agree the Scrutiny Annual Report 2016/17.
	Performance	
	Work Programme 2017/18	To agree the Scrutiny Committee Annual Work Programme for 2017/18.
28 September 2017	Programme For Growth	To receive an update on the Programme for Growth
	Olympia Park Development	To receive an update on the Olympia Park Development
	Corporate Performance Report - Q1	To provide a progress update on delivery of the Council's Corporate Plan 2015-20 as measured by a combination of progress against priority projects/high level actions and performance against key performance indicators.
	Leisure Annual Review (verbal)	To discuss the concerns raised by the Committee at the last meeting.
	Financial Results and Budget Exceptions to Q1	To consider the financial results and budget exceptions report to 30 June 2017 (Q1)
	Treasury Management - Monitoring Report for Q1.	To consider the Council's Treasury Management Activity for Q1 and the performance against the prudential indicators.
17 October 2017	Call In: Car Parking Strategy and Tariff Review	To consider the call-in of the Car Parking Strategy and Tariff Review.

23 November 2017 (Provisional date)	Emergency Planning	To discuss the Council's preparedness for emergencies.
25 January 2018	Housing Development Programme	To receive an update on the Housing Development Programme.
	Financial Results and Budget Exceptions Q2	To consider the financial results and budget exceptions report for Q2
	Treasury Management - Monitoring Report for Q2.	To consider the Council's Treasury Management Activity for Q2 and the performance against the prudential indicators.
	Corporate Performance Report – Q2	To provide a progress update on delivery of the Council's Corporate Plan 2015-20 as measured by a combination of progress against priority projects/high level actions and performance against key performance indicators.
	North Yorkshire Safeguarding Adults Board Annual Report 2016/17	To consider the annual report of the North Yorkshire Safeguarding Adults Board for 2016/17.
	Scrutiny Committee Work Programme Planning for 2018/19	To consider and plan the Committee's work plan for the 2018/19 municipal year
22 March 2018	Financial Results and Budget Exceptions Q3	To consider the financial results and budget exceptions report for Q3
	Treasury Management - Monitoring Report for Q3	To consider the Council's Treasury Management Activity for Q3 and the performance against the prudential indicators.
	Programme For Growth	To receive an update on the Programme for Growth.
	Olympia Park Development	To receive an update on the Olympia Park Development.
	Corporate Performance Report – Q3	To provide a progress update on delivery of the Council's Corporate Plan 2015-20 as measured by a combination of progress against priority projects/high level actions and performance against key performance indicators.

	LGA Peer Review/Challenge	To consider the recommendations of the LGA Peer Challenge, areas of improvement identified and what is being done to address them, with a focus on Scrutiny.
	Tour de Yorkshire – impacts on Selby District	To consider the impacts/benefits/issues of the Tour De Yorkshire on the District, i.e. from discussions with traders.
	Scrutiny Committee Work Programme for 2018/19	To consider and agree the Committee’s work plan for the 2018/19 municipal year.

PROVISIONAL MEETING DATES FOR 2017/18 – 23 November 2017, 21 December 2017, 22 February 2018, 25 April 2018

Scrutiny Committee Draft Work Plan for 2018/19

Please note that any items 'called in' will be considered at the next available meeting. Councillor Call for Action will also be considered at the next available meeting. **PROVISIONAL DATES FOR 2018/19** – 25 October 2018, 21 February 2019, 25 April 2019.

Date of meeting	Topic	Action required
Thursday 5 July 2018	Economic Development Framework Action Plan Update	To receive an update on the Council's Economic Development Framework Action Plan.
	6-monthly Emergency Planning Incidents Update	To receive an update on incidents to which the Council's Emergency Response Team have dealt with.
	Annual Report 2017/18	To consider and approve the Scrutiny Committee Annual report for 2017/18.
	Work Programme 2018/19	To consider the Scrutiny Committee's Work Programme for 2018/19.
	Corporate Performance Report – Q4	To provide a progress update on delivery of the Council's Corporate Plan 2015-20 as measured by a combination of progress against priority projects/high level actions and performance against key performance indicators.
	Treasury Management Monitoring Report - Q4	To consider the Council's Treasury Management Activity for Q4 and the performance against the prudential indicators.
	Financial Results and Budget Exceptions - Q4	To consider the financial results and budget exceptions report for Q4.
Thursday 27/Friday 28 September 2018	Nigel Adams MP	The MP for Selby and Ainsty will be in attendance at the meeting to discuss local issues – to be confirmed due to Party Conference.
	Programme for Growth	To receive an update on the Programme for Growth.
	Olympia Park Development	To receive an update on the Olympia Park Development.

	Corporate Performance Report - Q1	To provide a progress update on delivery of the Council's Corporate Plan 2015-20 as measured by a combination of progress against priority projects/high level actions and performance against key performance indicators.
	Financial Results and Budget Exceptions - Q1	To consider the financial results and budget exceptions report for Q1
	Treasury Management - Monitoring Report - Q1	To consider the Council's Treasury Management Activity for Q1 and the performance against the prudential indicators.
	Police co-location and impact <i>(N.B. If co-location not operation by this date, move back on work plan.)</i>	To receive an update on the co-location of the Police at Selby District Council's Offices and consider any impacts this may have had, e.g. on parking.
	Leisure Annual Review	To discuss the Annual Review of the Council's leisure services.
	Work Programme 2018/19	To consider the Committee's work programme for 2018/19.
Thursday 22 November 2018	Corporate Performance Report - Q2	To provide a progress update on delivery of the Council's Corporate Plan 2015-20 as measured by a combination of progress against priority projects/high level actions and performance against key performance indicators.
	Housing Development Programme	To receive an update on the Housing Development Programme.
	Financial Results and Budget Exceptions - Q2	To consider the financial results and budget exceptions report for Q2.
	Treasury Management - Monitoring Report - Q2	To consider the Council's Treasury Management Activity for Q2 and the performance against the prudential indicators.
	Work Programme 2018/19	To consider the Committee's work programme for 2018/19.
	North Yorkshire Police <i>(would the Committee prefer to hear from The Police and Crime Panel, the Commissioner or a Senior Officer?)</i>	To receive an update from the Police on current issues in the county and Selby District.
	Car Parking Strategy – Review after 6 – 12 months of operation	To consider the effects of new tariffs from the Car Parking Strategy after 6 – 12 months operation

Thursday 24 January 2019	6-monthly Emergency Planning Incidents Update	To receive an update on incidents to which the Council's Emergency Response Team have dealt with.
	Corporate Performance Report – Q3	To provide a progress update on delivery of the Council's Corporate Plan 2015-20 as measured by a combination of progress against priority projects/high level actions and performance against key performance indicators.
	Financial Results and Budget Exceptions – Q3	To consider the financial results and budget exceptions report for Q3.
	Treasury Management - Monitoring Report – Q3	To consider the Council's Treasury Management Activity for Q3 and the performance against the prudential indicators.
	North Yorkshire Safeguarding Adults Board Annual Report 2017/18	To consider the annual report of the North Yorkshire Safeguarding Adults Board for 2017/18.
	Scrutiny Committee Work Programme Planning for 2018/19	To consider and plan the Committee's work plan for the 2018/19 municipal year.
Thursday 21 March 2019	Programme for Growth	To receive an update on the Programme for Growth.
	Olympia Park Development	To receive an update on the Olympia Park Development.
	Scrutiny Committee Work Programme for 2018/19	To consider and agree the Committee's work plan for the 2018/19 municipal year.

Other issues to be added:

- Nigel Adams MP to be invited to a meeting of the Committee, once availability ascertained.
- GDPR impacts and issues – Veritau
- Council Funded Community Centres -

Policy Review Committee Work Programme 2017/18

Date of Meeting	Topic	Action Required
13 June 2017	Work Programme	To agree the Policy Review Committee Annual Work Programme 2017/18.
	Welfare Reform Update	To review the impact of the Welfare Reform changes in Selby District.
25 July 2017	Empty Homes Strategy 2017 onwards	To review the Empty Homes Strategy 2017
	Parks Bylaws (The Regulation of Pleasure Grounds)	To review the adoption of new Park Bylaws (The Regulation of Pleasure Grounds).
3 October 2017 (moved from 12 September 2017) CANCELLED	Taxi Licensing Policy	To consider the Taxi Licensing Policy – moved to January 2018
	Medium Term Financial Strategy	To review the Council's Medium Term Financial Strategy – removed, to be considered by Full Council on 19th September 2017
16 January 2018	Financial Budget	To review the Council's Budget.
	Briefing on Deprivation Levels	To receive a briefing on the Council's work to improve levels of deprivation and support residents living in high deprivation zones.
	Taxi Licensing Policy	To consider the Taxi Licensing Policy.
	Wheelchair Accessible Vehicles Policy	To consider the Wheelchair Accessible Vehicles Policy.
	Private Sector Assistance Policy	To consider the Private Sector Assistance Policy.

	Work Programme 2017/18 and Work Programme Planning for 2018/19	To consider the current Work Programme for 2018/19 and begin to plan the Committee's Work Programme for the 2018/19 year.
13 March 2018	Tree Management Policy	To consider the Tree Management Policy.
17 April 2018	Impact of Universal Credit on Council Services	Briefing by officers on the government's Welfare Reform agenda to bring to the attention of the Committee the impact of Universal Credit on Council services.
	Parks and Open Spaces Byelaws	To consider the revised Parks and Open Spaces byelaws ahead of agreement by Council.
	Policy Review Committee Annual Report 2017/18	To consider the annual report for the Policy Review Committee 2017/18.
	Work Programme Planning for 2018/19	To finalise and agree the Committee's Work Programme for the 2018/19 municipal year.

Potential items for 2018/19 municipal year:

- Empty Homes Strategy

The following dates are also in the Democratic Services calendar for provisional meetings if required: 14 November 2017 and 13 March 2018.

Policy Review Committee Work Programme 2018/19

Date of Meeting	Topic	Action Required
Tuesday 12 June 2018	Work Programme 2018/19	To consider the Work Programme for 2018/19.
	PLAN Selby	To review PLAN Selby.
	Corporate Debt Policy	To consider the proposals for the Council's Corporate Debt Policy.
Tuesday 24 July 2018	Implementation and impact of GDPR Regulations	To consider the implementation and impact of the new GDPR (General Data Protection Regulation) that came into force on 25 May 2018.
	Work Programme 2018/19	To consider the Work Programme for 2018/19.
Tuesday 11 September 2018	Universal Credit/Welfare Reform Rollout – Update	To consider an update on the rollout of Universal Credit in Selby District.
	Taxi Licensing Policy	To reconsider the Council's Taxi Licensing Policy following consultation.
	Work Programme 2018/19	To consider the Work Programme for 2018/19.
Tuesday 15 January 2019	Work Programme 2018/19 and Work Programme Planning for 2019/20	To consider the current Work Programme for the rest of 2018/19 and begin to plan the Committee's Work Programme for the 2019/20 year.

	Financial Budget 2019-20	To review the Council's Budget.
Tuesday 16 April 2019	Work Programme Planning for 2019/20	To finalise and agree the Committee's Work Programme for the 2019/20 year.

The following **provisional** dates are also in the Democratic Services calendar for provisional meetings if required: **13 November 2018** and **12 March 2019**.

Other potential items for 2018/19:

- Empty Homes Strategy
- Air Quality Action Plan
- Digital Strategy and Transformation Plan

Items for 2019/20

- Annual Report of the Committee for 2018/19 – consider at first meeting of 2019/20 municipal year

Selby District Council

REPORT

Reference: E/18/02

Public



To: The Executive
Date: 24 May 2018
Status: Key Decision
Report Published: 16 May 2018
Author: Karen Iveson – Chief Finance Officer
Executive Member: Cllr C Lunn – Lead Member for Finance & Resources
Lead Officer: Karen Iveson - Chief Finance Officer

Title: Financial Results and Budget Exceptions Report to 31 March 2018

Summary:

After carry forward requests which are detailed in **Appendix D**, the Council's year end results for 2017/18 give a surplus of £414k on the General Fund against budget. There are a number of variances (positive & negative) which make up this surplus including; increased planning fees; staffing savings; higher interest returns; higher waste and recycling income and unspent contingency.

The Housing Revenue Account generated a net surplus of £1,919k after carry forward requests, against a budgeted surplus of £1,185k a variance of £734k; the main drivers of the variance are savings on external interest payments arising from lower borrowing requirements, reduced revenue funding required on the capital programme, lower pension deficit repayments and unspent contingency.

More detail on the variances in the General Fund and Housing Revenue Account can be found in **Appendix A**.

Savings (**Appendix B**) exceeded target in the HRA due to higher than expected savings from the pension deficit reduction. Savings on the General Fund fell short against target, primarily due to the delay in the Contact Centre office move and interest returns on loans to the Housing Trust commencing later in the year than anticipated.

The General Fund Capital Programme (**Appendix C**) reports an underspend of £521k after carry forwards. A number of ICT projects have been rolled into the Channel Shift digital strategy and will now deliver in 2018/19. In addition, the budget for Disabled Facilities Grants was underspent in the year. The amendments to the Private Sector Assistance Policy and a more proactive marketing of the grants should help this spend to increase in 2018/19.

The HRA capital programme (**Appendix C**) has a surplus after carry forwards of £525k. Key reasons for this are a lower level of boiler and central heating replacements than expected, under-utilised estate enhancements budget and lower demand for damp works.

The latest Programme for Growth update went to Executive in April and can be found in **Appendix E**. The programme was underspent by £1.7m in the year. The new approved programme is now underway with increased spend expected in 2018/19 as projects continue to progress.

The year-end revenue surpluses are proposed for transfer to earmarked reserves and balances to support future spending plans.

Recommendations:

It is recommended that:

- i) The funds set out in Appendix D (£3.179m Revenue including Programme for Growth and £6.684m Capital) be carried forward from 2017/18 to 2018/19;**
- ii) The £414k General Fund surplus is transferred to the Business Rates Equalisation Reserve to support future cost pressures.**
- iii) The additional £734k HRA surplus be transferred to 'HRA Major Repairs Reserve' to support the future capital programme;**

Reasons for recommendations

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.

Report

General Fund Revenue

- 1.1 The full year actual outturn position for the General Fund is analysed in the table below.

General Fund Account	Budget £000's	Actual £000's	Variance £000's
Net Revenue Budget	15,752	15,234	(518)
Settlement Funding including RSG/NDR and other Grants	(9,686)	(9,607)	79
Amount to be met from Council Tax	6,066	5,627	(439)
Council Tax	(5,203)	(5,203)	0
Collection Fund Surpluses	(62)	(84)	(22)
Shortfall/(Surplus)	801	340	(461)
Savings Target	(424)	(377)	47
Net Surplus / (Deficit) transferred from Business Rates Equalisation Reserve	(377)	(377)	0
Net Revenue Budget	0	(414)	(414)

- 1.3 The main contributing factors to the Core General Fund surplus include:-

- Cost of specialist advice in Development Management was £148k higher than budget with more requirements for surveys and external consultancy works than anticipated;
- Employee costs are £149k under budget driven by natural turnover of staff plus a number of vacancies which have not been filled for part or all of the year;
- Investment income has been boosted by buoyant cash balances and there was a small beneficial impact from the Bank of England rate increase in November. Overall, investment income was £109k favourable to budget;
- Customer and client receipts income is higher than budgeted. There are a number of variances within this but the main driver is an £168k increase waste and recycling income due to a higher number of bins from new developments and the continuing success of the commercial waste service.
- The contingency underspend in the year was £194k after £152k was carried forward to top up the contingency budget in 2018/19 to £300k.
- Renewables business rates income for 2017/18 was £7.5m. This

funding has been transferred to replenish earmarked reserves applied to finance the pension fund deficit in 2016/17.

Housing Revenue Account

- 1.5 The full year actual outturn position of the Housing Revenue Account is analysed in the table below:

	Budget £000's	Actual £000's	Variance £000's
Net Revenue Budget	10,808	10,106	(702)
Dwelling Rents	(12,070)	(12,025)	45
Shortfall / (Surplus)	(1,262)	(1,919)	(657)
Savings Target	77	0	(77)
Net Surplus / (Deficit) transferred to Major Repairs Reserve	1,185	1,919	734

- 1.6 The HRA position has made an additional surplus of £734k. The HRA surplus (£1,919k) will be transferred to the Major Repairs Reserve at year end to support the long term management, maintenance and development of council housing. The main variances against budget are:

- The demand on the revenue to support the HRA capital programme was lower than expected by £309k due to underspends on the HRA capital programme;
- External borrowing has been £225k lower than expected in the year to date due to work programmes being funded from HCA grant and internal borrowing;
- Higher than expected savings generated by the paying down of the pension deficit produced a £77k favourable variance;
- £75k of unspent contingency to support HRA service costs for housing development issues has not been utilised;
- Investment interest ended the year £37k higher than budget predominantly due to higher cash balances but there was also a small benefit from the Bank of England rate increase in year.

Capital Programme

- 1.7 There are carry forwards totalling £3.315m for the General fund to enable key projects to be completed in future years. The main areas of spend carried forward are the loans to the Selby District Housing Trust of £1.7m, the adoption of the Industrial Unit Road £325k, the car park

improvement programme £282k, Disabled Facilities Grants £250k, Police co-location project £230k and Portholme Road culvert works £164k. A number of smaller projects make up the remaining balance.

1.8 The General Fund capital programme shows a favourable variance of £521k at the end of the year after carry forwards. This is made up mainly of the following :-

- £293k of ICT projects which have been rolled into the Digital Strategy project which is now budgeted in 2018/19.
- The DFG grant allocation is paid through the Better Care Fund and this year has seen an increase in the grant monies received. In 2017/18 the Better Care allocation is £33k higher than the 16/17 allocation. This coupled with our own investment and monies carried forward for committed works provided a total of £574k available to spend. Actual spend was £179.2k due to lower demand on the service than anticipated. It has all been funded through the Better Care Grant, any underspends may be subject to recovery from Central Government and this is currently being assessed. A change has been made to the Private Sector Assistance Policy in April 2018 to enable grants to be provided to the private sector and the service will be more actively marketed which should result in an increase in the number of grants being provided in 2018/19. £250k has been carried forward to next year but the remainder is a surplus in the capital programme.

1.9 The HRA has seen spend of £2.7m in the year. There are carry forward requests of £3.4m across a number of areas. The key carry forwards are £1.455m on the housing development scheme at Byram Park, £1.068m on the roofing and pointing schemes, £262k for the new housing system, £160k on the cyclical repairs programme, £150k on the Environmental Improvement Plan and £106k on door replacements.

1.10 The HRA variance after carry forwards was £523.3k favourable with the main drivers being :-

- The rolling boiler replacement programme has resulted in fewer repairs and unplanned replacements due to the high standard of boilers installed, resulting in a saving of £292k.
- Estate enhancements was underspent by £105k due to a lack of projects coming forward in 17/18.
- Damp works were £86k underspent due to lower than expected demand for the service.
- Phase 1 of the Housing Developments at Byram and Eggborough came in under budget by £33k.

Savings

1.11 **Appendix C** presents an update on progress against the Council's planned savings action plan for the General Fund and HRA.

1.12 Overall General Fund savings delivery was £34k short of the £740k

target in the year. This was due to the loans to Selby District Housing Trust not occurring as early in the year as had been expected and the office move for the Contact Centre not going ahead this year.

1.13 HRA savings for the year have been over-achieved due to higher than budgeted saving from the pension deficit reduction.

1.14 Recurring savings made in the year which did not form part of the planned savings include lower insurance costs following a tender process (£90k per annum from October 2017) and providing HR and Communications services to a nearby District Council which will continue in the short /medium term (£30k).

Programme for Growth

1.15 The programme has seen considerable progress in 2017/18 with project spend of £666k in year and carry forward on projects of £1.7m into 2018/19 as detailed in **Appendix E**.

Projects that were financed in 2017/18 include the success of the Tour de Yorkshire, due diligence work on a number of our strategic sites and the Sherburn All Weather Pitch.

The £1.7m carry forward is for ongoing projects which form part of the latest approved programme which was agreed at Executive in May 2018.

2. Legal/Financial Controls and other Policy matters

2.1 Legal Issues

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

2.2 Financial Issues

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

3. Conclusion

Overall year-end financial results are positive, and the surpluses generated this year provide some financial capacity to support the Council's future spending plans – particularly on both general fund and housing assets. Funds that are requested for carry forward will support work on priority projects and initiatives that will be completed in 2018/19. Some recurring savings have been found in the year which will help to achieve the savings target in future years.

Appendices:

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

Appendix B – General Fund and Housing Revenue Account Savings.

Appendix C – General Fund and Housing Revenue Account Capital Programme.

Appendix D – General Fund and Housing Revenue Account Carry Forward Budget Requests.

Appendix E – Programme for Growth.

Contact Details

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BUDGET EXCEPTIONS REPORT

April 2017 - March 2018

General Fund Income

Budget Description	Annual Budget £000's	Year -End Variance £000's	One-Off/ On-going	Comments
Investment Income	(100)	(109)	On-going	Earnings from investments are currently exceeding budget, this is due to buoyant cash balances, this will be closely monitored as current interest rate returns may not be achieved going forward.
Customer & Client Receipts	(7,232)	(97)	On-going and one- off	Recycling & Waste Collection income is a key driver of this variance due to latest forecasts on recycling activity and prices, demand for new bins for housing development sites and the continued proactive marketing of the commercial waste service (£168k). Other variances include a backdated recharge of officer time to Ryedale DC for HR support (£30k) and an unbudgeted charge for current year Marketing Support (£30k), increase in forecasted Council Tax collection court costs & summons due to current trends (£29k). There are numerous other forecasted overachievements of budget including; Licences income (£17k), Environmental Health Fees (£11k); Property Management Rent (£27k), Homelessness (£21k) and GF unallocated (£13k). This is offset by an anticipated shortfall in private payer lifeline income £44k, the service is reviewing its products and offer to customers in line with market demands in addition recruitment is being carefully managed. There is reduced income from Development Management where there has been a reduction in application fees due to the 5 year land supply partially mitigated by planning advice for larger schemes £41k, Civic Centre Rent £31k from slippage in the Police Co-location project, Groundwork recharges £51k offset by reduced salary costs, concessionary fares, offset by costs £26k, Car Parks £34k due to the theft of ticket machines and Assets Trading from take up of the service £40k.
Government Grants	(15,698)	46	One-off	This shortfall is due to the continued fall of Supporting People Grant £48k, this continued reduction from on-going assessment is not currently being met by private payers. From 1 April 2018 this funding is expected to end completely. The service is constantly looking to expand its customer base balanced with finding operating efficiencies.
Recharges	(3,009)	(25)	Ongoing	Following restructure, a full review of allocations of overheads took place resulting in a slightly higher charge to the HRA for CECs.
Total Variance - General Fund Income		(185)		

General Fund Expenditure

Budget Description	Annual Budget £000's	Year -End Variance £000's	One-Off/ On-going	Comments
Employees	8,102	(149)	On-going and one- off	Savings on salaries across the Council due to recruitment of the new structure during the year, natural turnover of staff resulting in vacancies and staffing levels being carefully managed to mitigate service risks such as the lifeline service. There are also savings here on Groundwork staff but this is offset by the reduction in income for this as it is a pass through cost. This is partly offset by increased pressure on the Development Management Team who have needed to use agency support to help cover vacancies to manage large scale complex planning applications and a large amount of appeals relating to the 5 year housing land supply. It is proving difficult for all Local Planning Authorities to recruit staff with the relevant experience to tackle the workload of this nature hence agency staff are used at a premium.
Premises	686	(8)	On-going	Various over and underspends the most significant being NNDR savings from Leasing out the former Profiles Gym Building (£11k).
Supplies & Services	8,526	116	On-going and one- off	There are numerous variances that make up this shortfall, the biggest being £148k from the use of specialist advice to support the volume and complex nature of planning applications and in part due to the pressure on the team through vacancies. There are other costs incurred including £42k on Counter Fraud services which is partly offset by £26k of staff savings, Bank Charges in relation to the volume of card payments made to the authority and historical issues resolved through the bank rec and IT systems annual management and maintenance costs £33k. There are savings on Climate Change (£21k), Concessionary Fares (offset by income (£20k), Environmental Services pollution and monitoring costs (£10k), Planning Policy (£19k) and GF Housing (£21k) on private sector housing, Night Stop and Mediation services.
Benefit Payments	15,281	(25)	Ongoing	Overall benefits saving generated from lower than anticipated overpayment debtors adjustments and lower rent allowance payments.
Transport	155	10	On-going	

Budget Description	Annual Budget £000's	Year -End Variance £000's	One-Off/ On-going	Comments
Third Party Payments	82	(5)	one-off	Small saving on the annual contribution to the Home Improvement Agency.
Drainage Board Levy	1,667	(4)	one-off	Small saving from lower than anticipated inflation increases.
Budget Savings Required	(424)	47	One-off and On- going	Small shortfall in the planned savings target, asset rationalisation will not achieve its target for the year due to the Contact Centre move still being under consideration. The interest from loans made to Selby District Housing Trust is lower than anticipated as these loans were made later in the year than expected.
Contingency	346	(195)	One-off	Unspent in the year - drawdowns for support not required.
Other		(16)	One-off	Several small variances including improvement and other grants.
Total Variance - General Fund Expenditure		(229)		
Total Variances - General Fund		(414)		

Housing Revenue Account Income

Budget Description	Annual Budget £000's	Year -End Variance £000's	One-Off/ On-going	Comments
Investment Income	(25)	(37)	On-going	Earnings from investments are currently exceeding budget, this is due to buoyant cash balances, this will be closely monitored as current interest rate returns may not be achieved going forward.
Housing Rents	(12,070)	45	On-going	The outturn shows a shortfall position over budget. The variance is driven by worse void turnover times than budgeted and one additional right to buy sale (21 in 2017/18) than was assumed in the budget.
Customer & Client Receipts	(143)	(27)	On-going	Improved position has been achieved on Pumping Station Recharges (£9k), Community Centres including room hire (£7k) and Legal Costs recovered (£6k).
Government Grants	(20)	20	On-going	Withdrawal of supporting people funding for HRA Homeless services.
Total Variance - HRA Income		1		

Housing Revenue Account Expenditure

Budget Description	Annual Budget £000's	Year -End Variance £000's	One-Off/ On-going	Comments
Employees	0	38	One-Off	Community Centre Cleaner Costs, offset by CEC savings.
Premises	797	(50)	On-going	Saving on Painting as delivered through capital programmed works (£30k). There are savings on the utility and running costs of hostels (£12k).
Supplies and Services	1,099	28	On-going	£50k spent on subcontractors covering vacancies in the trades team due to difficulties in recruitment. This is offset by savings in septic tank emptying (£8k) and HRA systems (£13k)
Transport	117	(5)	On-going	
Support Service Recharges	2,760	(8)	On-going	
Provision for Bad Debts	124	(55)	One-Off	A nominal 1% provision against rents is made in the budget, arrears calculations have not suggested an increase is required yet although the wider roll out of universal credit may have an influence, Non-rent debtors have been maintained at the same levels as 2016/17.
External Interest Payable	2,638	(225)	One-Off	This saving is due to no external borrowing taken out for new developments within the HRA this financial year, the use of internal borrowing (using cash reserves) has been used rather than PWLB borrowing in the short term and this will be kept under review as interest rates rise over the coming months and years.
Pension deficit reduction	77	(77)	On-going	The pension deficit reduction was budgeted to still be a cost of £77k but the full pay down of the pension deficit at the end of 2016/17 resulted in no payment being required in the year.
Movements to / from reserves	3,494	(309)	One-Off	Slightly lower estimate transfers to the Major Repairs Reserve to fund costs of the capital programme over the year. This is as a result of lower than anticipated capital spend, in particular on central heating systems. This saving will be reinvested in future programmes.
Contingency	75	(75)	One-Off	Unspent contingency in the year.
Other	(115)	3	On-going	
Total Variance - HRA Expenditure		(735)		
Total Variances - HRA		(734)		

SAVINGS PLAN

Indicative Profile - GF

Potential Saving	Sponsor	2017/18 £000's	2018/19 £000's	2019/20 £000's	Original Risk	May 2018 Update	Current Risk
Pest Control	KC	15	15	15	Low	Contract completed - charge for rats passed on to customers.	Low
Income generation	SR			185	High	Proposals to be developed for additional income streams for 2019/20 and beyond - including potential opportunities to maximise income streams through better understanding of our asset base, following asset management system implementation.	High
Process improvements /on-line transactions	JS	0	70	91	Medium	Business Case for 'channel shift' project approved - implementation of first two phases scheduled for early 2018/19. Quick wins already being delivered in Revs & Bens. Implementation of Housing Management System has commenced - first module due Jan 2018. Full implementation expected by July 2019. Project brief for 'Modern Office Project' to support a more flexible and mobile workforce currently being developed.	High
Planning service review	JC	0	200	200	Medium	Planning service savings are currently under review, with proposals for delivery of £200k savings anticipated to be met through additional income and cashable postage and electronic savings.	High
Asset rationalisation	JS	26	90	140	Medium	Ex Profiles Gym has been let to a tenant which will generate £26k in the current year and £40k in future years. Options are currently being considered for the Contact Centre move to the Civic Centre, which dependent on the agreed approach could potentially complete half way through 18/19.	Medium
Commissioning & collaboration	JS	0	0	80	High	The savings expected in 2019/20 are still to be identified.	High
New SDHT Loans	DC	17	60	100	High	The first loans have been made to the Selby District Housing Trust which generated £17k of interest returns in 2017/18. A number of schemes are currently in progress, with negotiations taking place with developers with a scheme to acquire 12 S106 affordable housing properties recently agreed between SDC and the SDHT at Ulleskelf. The revised and expanded Housing Development Programme agreed by Executive in January 2018 identifies a significant role for the SDHT in delivery which will provide further loan opportunities for SDC.	High

SAVINGS PLAN

Lending to third parties	DC	0	0	40	High	This work will be considered as adoption of the Economic Development Strategy is achieved, and the Programme 4 Growth is developed.	High
Programme for Growth	DC	0	0	250	High	The current programme above indicates that approximately £3.5 of the projects (the Commercial Property Acquisition projects) will generate a direct ROI, so a direct ROI of circa 7% is required on these projects to achieve the £250k target.	High
Tax Base Growth	DC	0	0	28	Medium	As the growth agenda continues, an anticipated additional increase in the tax base of 0.5% is forecast by 19/20. This is subject to timing of development schemes completing, amongst other variables so will continue to be monitored	High
Business Rates Growth	DC	0	0	200	High	The Economic Development team will deliver the Council's Economic Development Strategy and proactively foster new inward investment and indigenous business growth.	High
PFI	KI	57	60	60	Low	Completed	Low
MRP	KI	185	185	185	Low	Completed	Low
Pension Fund Deficit	KI	406	419	433	Low	Completed	Low
Total Savings		706	1,099	2,007			
Assumed Savings Target		740	1,053	1,698			
Surplus / (Shortfall)		- 34	46	309			

NB Low risk savings assumed to be delivered at 100%

SAVINGS PLAN

Indicative Profile - HRA

Potential Saving	Sponsor	2017/18 £000's	2018/19 £000's	2019/20 £000's	Risk	October 2017 Update	Current Risk
Process improvements /on-line transactions	JS	0	5	194	Medium	Business Case for 'channel shift' project approved - implementation of first two phases scheduled for early 2018/19. Quick wins already being delivered in Revs & Bens. Implementation of Housing Management System has commenced - first module due Jan 2018. Full implementation expected by July 2019. Project brief for 'Modern Office Project' to support a more flexible and mobile workforce currently being developed.	High
Commissioning & collaboration	JS	0	0	20	High		High
Pension Fund Deficit	KI	217	226	235	Low	Completed	Low
Total		217	231	449			
Assumed Savings Target		140	148	310			
Surplus / (Shortfall)		77	83	140			

Low risk savings assumed to be delivered at 100%

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General Fund	Annual Budget	Year End Actual	Year End Variance	Carry Forward	Final Variance	Comments
Sport Grounds Improvement Works	30,000	29,172	-828	0	-828	Scheme completed.
Selby Park Improvement Work	45,000	24,112	-20,888	20,888	0	Works to walling complete. Balance of budget required to be carried forward for lighting works.
Asset Management Plan - Leisure & Parks	2,940	0	-2,940	0	-2,940	IHL have completed inspections of the items in the planned maintenance programme for 2018/19. No items of works were required for 2017/18 as a result of the inspection.
Industrial Units - Road Adoption	325,000	0	-325,000	325,000	0	Costings are being sought for work completion in 2018/19.
Portholme Road Culvert	288,734	124,360	-164,374	164,374	0	Stage 1 complete and Stage 2 payments have been paid up to the end of March 2018. the tender process for works to commence shortly with a view to works being carried out over a 12 week period commencing June 2018. Delays were due to the complexity of location of the utilities and avoiding impacting on the Police emergency responses from the current Police Station.
Bus Station Refurbishment	53,000		-53,000	53,000	0	Quotations for 3 possible solutions secured - works not progressed as need to engage key stakeholders regarding the style of shelters to be purchased as well as ensuring the proposals dovetail with the emerging design thinking from the Town Centre Improvement Strategy which is at a very early stage.
Police Co-Location Project	229,710	0	-229,710	229,710	0	Completion of the building works delayed due to contractual negotiations between the parties.
Industrial Units Maintenance	47,000	44,479	-2,521	0	-2,521	Scheme completed.
Car Park Improvement Programme	300,000	17,624	-282,376	282,376	0	Year 1 improvement works have taken longer to come to site due to a number of factors, including consultation with key stakeholders linking in to the Town Centre Improvement Strategy. A contract to undertake work to Market Cross is scheduled to start during April and specifications are currently being finalised for South Parade and Audus Street.
Website Development (Webchat)	10,000	0	-10,000	0	-10,000	Budget rolled into Channel Shift project, bids submitted to progress in 18/19.
DIP System upgrade	20,000	0	-20,000	20,000	0	Committed £20k for Information @Work server upgrade, app upgrade and software install. Required as a platform for the Channel shift project within the Rev & Ben business unit. Delayed to roll in to channel shift programme. Once channel shift programme was agreed, DIP upgrade was then scoped accordingly to meet channel shift requirements.
GIS System	100,000	34,359	-65,641	65,641	0	Budget for GIS Digitalisation project which has started and runs to Sept 2018. Remaining budget required for scanning and indexing of property deed packets as well as improvements to GIS system and licensing. Scheme progression running to plan.
Benefits & Taxation System upgrade	75,000	0	-75,000	12,675	-62,325	Committed £4,500 for O/P Subsidy workbook. Software upgrades for legislative changes and E-billing implementation and configuration for Annual billing process. Remaining budget rolled in to channel shift projects. Forms 1st phase of channel shift and e-billing which was held up by the release of government legislation

2017/18 Selby District Council Capital Programme - To 31 March 2018

Appendix C

General Fund	Annual Budget	Year End Actual	Year End Variance	Carry Forward	Final Variance	Comments
IDOX Planning System	60,000	22,726	-37,274	37,274	0	Committed £4,400 for Licensing Consultants and £3,525 PARIS service upgrade. Further upgrades required throughout 2018/19 including Uniform and TLC. Spend can only occur when upgrades have been released by suppliers.
Committee Management System	18,000	0	-18,000	18,000	0	Committed £18k to ModernGov software. Data migration commenced in March, anticipated to go live in May.
Northgate Revs & Bens	7,730	13,405	5,675	0	5,675	Spend for required updates which included £5750 for changes to Victoria Forms and £3155 for changes to SBRR.
Electronic Payments Project	46,680	3,325	-43,355		-43,355	Budget to be rolled into Channel Shift project which will commence in 2018/19 following approval of bids.
Environmental Health System	5,000	7,800	2,800	0	2,800	Oracle patches for PSN compliance were required leading to an overspend which can be managed through savings on other IT projects.
Mobile Working Solution	249,800	0	-249,800	0	-249,800	This project will start in 2018 and forms part of the channel shift project to provide and develop digital services. These funds will be retained in the ICT reserve for alternative allocation to future projects.
ICT - Infrastructure Costs	60,000	27,918	-32,082	32,082	0	ICT infrastructure improvements for transformation projects. Projects span across digital workforce, police co-location, channel shift and disaster recovery. Delays in spend are influenced by progress on the aforementioned projects.
ICT - Desktop Replacement Programme	28,990	21,231	-7,759	7,448	-311	Budget committed to purchase replacement equipment for ICT training room.
Members IT Equipment	18,340	19,546	1,206	0	1,206	Small overspend on the purchase of HP devices, met from savings on the IT programme.
Servers - ICT Infrastructure Replacement	88,751	33,557	-55,194	55,194	0	To be used for Microsoft licensing as previously agreed, alongside the bid approved for 18/19 onwards. Linked to ICT infrastructure and Digital projects which are delayed, resulting in a carry forward. The new licences will begin the functionality of Skype, sharepoint and other MS programs.
Private Sector - Home Improvement Loans	46,500	2,235	-44,265	30,000	-14,265	Ongoing Repair Assistance Service commitments of £12k, during 2017/18 there have been a couple of successful emergency health and safety loans given to vulnerable households. Delivery of this service generally has been slow due in main to significant upheaval at the Selby Home Improvement Agency, which resulted in a slowdown of the grants and loans process. This service is now back in-house and coupled with an increase to the maximum loan to £6k in 2018/19 is expected to see an increase in the take up of Repair Assistance Service loans.

2017/18 Selby District Council Capital Programme - To 31 March 2018

General Fund	Annual Budget	Year End Actual	Year End Variance	Carry Forward	Final Variance	Comments
Disabled Facilities Grants (DFG)	573,958	179,173	-394,785	250,000	-144,785	28 DFGs completed in 2017/18 which a little down on previous years. This is due to a number of issues, including the staff restructure at the start of the year which resulted in a slow start, and staff challenges at the Home Improvement Agency over the last few months due to the ending of their DFG contract. A significant improvement in 2018/19 is expected. The DFG service is now back in-house and have made a number of policy changes to speed up the process. In addition are looking to increase in-house staff resource to support the delivery of adaptations. The NYCC Occupational Therapy service is also providing more staff resource to deal with any backlog of referrals. This has been all funded through Better Care Grant, any unspent may be subject to recovery from Central Government.
New Build Projects (Loans to SDHT)	1,987,300	276,100	-1,711,200	1,711,200	0	These are schemes delivered by SDHT through loans from SDC. Ulleskelf scheme - Still at an early stage to purchase 12 properties a 10% deposit is required by June as the developer is making good progress on site with a target of handing over the first 3 units in August. Riccall scheme started on site 12 February and is progressing well and will take approximately 32 weeks to complete. A deposit has been paid for the purchase of properties at Bridge Wharf, Ousegate.
	4,717,433	881,122	-3,836,311	3,314,862	-521,449	

Housing Revenue Account	Annual Budget	Year End Actual	Year End Variance	Carry Forward	Final Variance	Comments
Kitchen Replacements	140,000	144,719	4,719	0	4,719	Programme completed for 2017/18
Housing & Asset Management System	511,780	249,698	-262,082	262,082	0	The contract with Civica was signed September 2017. The first stage payment has been made and a full project plan has been agreed. Training began in January to support the project work involved in implementation.
Pointing Works	807,994	261,594	-546,400	546,400	0	Contract let over three years for ongoing pointing programme and associated works delayed due to complexities of contract requirements. Failure to secure the funds in 2018/19 will result in significantly less properties being improved under the programme; with potential impact on the weather tightness of our housing stock. Weather tightness is a key criteria under the Housing Health and Safety Rating System and failure to address such requirements could open SDC to claims of disrepair.
Electrical Rewires	240,000	241,135	1,135	0	1,135	
Bathroom Replacements	30,000	140	-29,860	29,860	0	A programme of bathroom replacements has been issued with works scheduled to commence April 18. Held up to join up with the 18/19 programme to make a viable contractor proposition.
Asbestos Surveys	30,000	16,851	-13,149	13,232	83	A significant level of surveys were required in order to ensure SDC fully complies with its obligations under H&S legislation which has impacted on the implementation of the new Keystone Asbestos module as part of the Housing System. This is now gone live in April following delays.
External Cyclical Repairs (Painting & Windows)	160,000	-93	-160,093	160,000	-93	Contract now let over three years for ongoing external cyclical repairs and associated works programme identified. Weather tightness is a key criteria under the Housing Health and Safety Rating System and failure to address such requirements could open SDC to claims of disrepair. Complex programme to put together has resulted in delays in the contract process.
Central Heating System Replacements	545,000	254,338	-290,662	0	-290,662	Failure rates on systems lower than anticipated resulting in significant savings in year. It is anticipated that there will be a spike in replacements around 2020, that will require current savings to be re-invested in boiler replacements.
Roof Replacements	532,650	11,014	-521,636	521,636	0	The tender for the work to replace the roofs at the Hillside estate has recently been received and SDC are now in consultation with leaseholders on the estate and this has been a lengthy process. The need to undertake consultation and the sensitivities around this have resulted in delays to progressing these works.

2017/18 Selby District Council Capital Programme - To 31 March 2018

Appendix C

Housing Revenue Account	Annual Budget	Year End Actual	Year End Variance	Carry Forward	Final Variance	Comments
Damp Works	220,000	133,941	-86,059	0	-86,059	Savings achieved for the year driven by demand and using alternative solutions to damp courses.
Disabled Adaptation Work	46,000	47,813	1,813	0	1,813	Programme complete to install wet rooms.
External Door Replacements	130,000	23,949	-106,051	106,051	0	A contract has recently been let and works are scheduled to commence in June. Funds required to upgrade the external doors to our properties without such will result in potential water ingress, possible structural damage and ultimately greater costs. In addition, insecure external doors may lead to increased levels of burglary resulting in potentially increased void costs, rent loss and ultimately reputational damage for SDC. This scheme is linked to cyclical repairs contract.
Void Property Repairs	65,000	65,000	0	0	0	Void programme completed for the year
Fencing Programme	50,232	47,411	-2,821	2,821	0	Contract let over three years to upgrade fencing to the Council's housing stock. Year one of the programme has been successfully completed. Works for completion on Year two of the programme have been identified and the additional funding will enable more properties to be completed.
St Wilfrid's Court	13,000	0	-13,000	13,000	0	Budget relates to works required to upgrade lifeline equipment and is to be undertaken as part of wider improvement of the property for which funds have been secured in 2018/19.
Pauline Backhouse Court	28,000		-28,000	28,000	0	Works to replace the lift are ongoing, delayed due to establishing project managers for the scheme before moving forward with the tender process. Tenders have been received - contract preparation in progress. Failure to replace the lift could lead to increased repair costs
Environmental Improvement Plan	182,555	32,067	-150,488	150,488	0	Works to develop projects with local stakeholders has resulted in delivery being slower than anticipated. The first 2 significant projects for funding have been received and tenders sought for the completion of the works.
Housing Development Project	53,180	34,747	-18,433	0	-18,433	Savings from the Byram Park Road Flats site clearance
Garage Sites	20,000	11,428	-8,572	8,572	0	Works required are influenced by which sites are identified for potential housing development.
Ousegate Hostel	60,000	501	-59,499	59,499	0	Programme has been delayed due to the occupancy of the flats requiring work. Funding is required in 2018/19 in order to ensure the planned improvements can proceed once the various flats become vacant
Footpath Repairs	30,000	17,763	-12,237	12,237	0	Programme has been agreed and work to secure contractor are underway. In order to maximise value for money, the contractor will be linked to the car park programme which has changed the timing of delivery of this project..
Estate Enhancements	133,000	27,885	-105,115	0	-105,115	Balance of funding offered as saving in current year as projects did not come forward to progress. Plans for the 18/19 funding are being developed.
Phase 1 Hsg Dev. Byram / Eggborough Bungalows	981,640	948,908	-32,732	0	-32,732	Scheme complete and a small saving achieved. Retention of £45,908.45 to be paid June 2018, but accounted for in the 17/18 year.
Phase 2 Hsg Dev. Byram Park Road	1,612,000	158,289	-1,453,711	1,455,711	2,000	13 property site scheme progressing well and foundations have been excavated, initial issues with boundaries and encroachment have been resolved which delayed the scheme along with planning issues. Scheme anticipated to complete by January 2019.
	6,622,031	2,729,098	-3,892,933	3,369,589	-523,344	
Total Capital Programme	11,339,464	3,610,220	-7,729,244	6,684,451	-1,044,793	

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General Fund Revenue Carry Forwards				
Description	Purpose of Carry Forward	17/18 Current Budget	Remaining Budget	Carry Forward Request
Planning Policy - Neighbourhood Plans	Received £40k of grants through DCLG - No further grants will be paid unless NP reach adoption, therefore these funds need to be retained to cover the costs of any future referendums and any other potential costs	40,000	31,647	31,647
Dev Policy Serv (PLAN Selby)	Budget approved to support the preparation of Sites Allocations Local Plan and PLAN Selby, Work will continue over the next financial year and the remaining budget is required to facilitate this work	565,760	424,360	424,360
Central CEF	Required to support the CEF in 18/19. During 2017/18 the CEFs have committed to funding more projects and proactively spent balances built from previous years. The carry forward request will be used to support the community development plan for the area and applications.	36,978	14,671	14,671
Western CEF	Required to support the CEF in 18/19. During 2017/18 the CEFs have committed to funding more projects and proactively spent balances built from previous years. The carry forward request will be used to support the community development plan for the area and applications.	37,938	12,656	12,656
Eastern CEF	Required to support the CEF in 18/19. During 2017/18 the CEFs have committed to funding more projects and proactively spent balances built from previous years. The carry forward request will be used to support the community development plan for the area and applications.	34,636	7,219	7,219
Southern CEF	Required to support the CEF in 18/19. During 2017/18 the CEFs have committed to funding more projects and proactively spent balances built from previous years. The carry forward request will be used to support the community development plan for the area and applications.	33,689	3,163	3,163
Pollution Management / Air Quality	Ongoing work associated with the action plan in accordance with the prescribed DEFRA process, will entail costs and along with any remedial action or funding of expected survey work will require the additional budget requested. The action plan and implementation is due to go to Executive for approval in June 18	6,500	5,588	5,588
Business Transformation Staffing	2 salary underspends. 1 x 4a - Business Transformation Officer, funded from GF £35,444, 1 x 4c - Business Transformation & ICT Manager, funded from Reserves £42,899. Neither post recruited in 17/18 due to lack of suitable candidates and projects not being ready. Money will be used to fund a combination of : short term project managers, external consultants and backfilling officers from elsewhere in the business	234,594	89,463	80,000
Benefits & Taxation - local Welfare Assistance	Funding has been received in 17/18 to support Universal Credit (UC) claimants, but due to the delay of full service the budget has not been fully used yet. The budget is required as the costs will increase significantly as demand increases across the district. This will ensure there are enough resources to support new claimants as Universal Credit is fully rolled out	33,707	21,658	21,658
HR - Short Courses fees	To pay for Investors in People Assessment. First part (Staff survey) actually delivered in 2017 but wont be billed until after the full assessment in late April 2018	25,580	8,585	7,500
HR Corp Training Course fees	To contribute to funding Learning Zone in 2018	11,000	4,163	4,000
HR Staffing	Underspend in 2017/18 partially due to non-recruitment of Lead Officer HR. Lead Officer HR has responsibility for OD strategy. OD strategy not progressed until 2017/18 due to lack of capacity/timing. To be used to buy in expertise from NYCC to deliver OD strategy as a defined project	136,419	62,263	15,000
Tadcaster and Villages CEF	Unspent Tadcaster and Villages CEF Budget. Money was split across 2 budget lines (SD0504 3535) - now combined for future use	59,779	24,007	24,007
Benefits & Taxation - NYBTG	Monies are held on behalf of 8 NY authorities, for the purpose of NY Benefits training Group, therefore do not belong to SDC	18,907	8,407	8,407
Data and Systems - Agency staffing	Forms part of the Housing software replacement project that will continue throughout 2018/19	130,000	130,000	130,000
CS - partnerships contributions	Made up of grant awarded from OPCC cannot be taken back as a saving. Commitment to North Yorkshire Police for £1250 not yet paid due to Police payment system. A delivery plan is in place for 2018-19 that this money will support.	5,500	4,649	4,649

General Fund Revenue Carry Forwards				
Description	Purpose of Carry Forward	17/18 Current Budget	Remaining Budget	Carry Forward Request
Local Authority Prevent Duty	Funded by OPCC in 2016 to support the delivery of Prevent Duty. Remaining balance will support the Prevent Bronze Group to raise awareness of radicalisation and develop tools for communities to use. A work plan is in place for 2018/19 and SDC is working with NYCC Community Safety officers to provide a consistent and effective programme throughout the year.	1,896	1,642	1,642
Partnership development	£9k committed to Abbots Staith and will contribute to building repairs work agreed in 2017/18. Work will commence in June 18. Commitment for a shared admin role with NY Police for Safer Selby Hub. Due to time delays in commencing the post the 2017/18 contribution will need to be paid in 2018/19. Current subscription to grantfinder is based on a potential discounted 3 year deal. Currently monitoring 1st year effectiveness - if effective, will require funding for remaining 2 years £9265	43,000	31,045	31,045
Homeless persons	Funding has not been used in 17/18 due to delays in receiving the MHCLG guidance document for the new legislation. Plans have now been finalised for spending the 2017/18 funding but will not conclude until 2018/19. Funding will support a number of initiatives : extra staff resource : provide IT support to deliver new legislation : develop correspondence tools : support the development of new tenancy incentives. A further c/fwd will be required for the 2018/19 funding and then the 2019/20 funding to ensure the support is spread over a 3 yr. period as intended	113,244	81,686	70,180
District election	Budget is for the NYCC election which was held in 2017 - needs to be carried forward to resolve any outstanding queries		6,011	6,011
Chairman's allowance	Chairman's budget to be carried forward	5,910	1,863	1,863
Better Together	Due to delays in shared ICT projects the final £50k SDC contribution was not required for 2017/18	50,000	50,000	50,000
Data and systems staffing	To cover ongoing staffing costs in 2018/19 following recruitment	201,440	53,869	53,869
Contingency	Carry forward to support Commissioning Contingency £150,000 and Operational £1,670 (to make up to £150k).	346,277	346,277	151,670
		2,172,754	1,424,892	1,160,805

General Fund Capital Carry Forwards				
Description	Purpose of Carry Forward	17/18 Current Budget	Remaining Budget	Carry Forward Request
Portholme Road collapsed culvert	Stage 1 complete and Stage 2 payments have been paid up to the end of March 2018. the tender process for works to commence shortly with a view to works being carried out over a 12 week period commencing June 2018.	288,734	164,374	164,374
Planning System software	Committed £4,400 for Licensing Consultant x 4 days - £3,525 PARIS service upgrade v3.0.3.3. Upgrades required throughout 2018/19 - Uniform 10.3.1, TLC 10, PA 3.1, DES 10.4.1	60,000	37,274	37,274
DIP System software	Committed £20k for Information @Work server upgrade, app upgrade and software install. Required as a platform for the Channel shift project within the Rev & Ben business unit	20,000	20,000	20,000
Benefits & Taxation System software	Committed £4,500 for O/P Subsidy workbook. Software upgrades for legislative changes and E-billing implementation and config for Annual billing process	15,000	12,675	12,675
Committee Management System software	Committed £18k to ModernGov software. Completed by end of April 2018	18,000	18,000	18,000
Police Co-location Project	Completion of the building works delayed due to contractual negotiations between the parties. Failure to secure the funds in 2018/19 will result in the project not progressing: leading to significant reputation damage for SDC and potentially claims for breach of contract	229,710	229,710	229,710
Bus station refurbishment	Quotations for 3 possible solutions secured - works not progressed as need to engage key stakeholders. Failure to secure funding will result in works not progressing which may impact efforts to improve the town centre offer and visitor economy	53,000	53,000	53,000
Car Park Improvement Programme	Year 1 improvement work have taken longer to come to site due to a number of factors. A contract to undertake work to Market Cross - work scheduled to start 9/4/18. Failure to secure the outstanding budget will significantly impact our ability to deliver the improvement programme across the 9 identified areas. Accrual submitted for £3,656.57 to cover minor works undertaken 2017/18	300,000	286,033	282,376
Selby Park	Remainder of budget required in 2018/19 to upgrade the lighting throughout the park area. Quotations for 3 possible solutions secured - works not progressed as need to engage key stakeholders. Failure to secure funding will result in works not progressing which may impact efforts to improve the town centre offer and visitor economy	45,000	45,000	20,888
Desktops	Used to purchase replacement equipment for ICT training room. Equipment has been purchased and will be received and invoiced in April 2018	17,500	7,448	7,448
ICT Infrastructure	ICT infrastructure improvements for transformation projects. Projects span across digital workforce, police colocation, channel shift and disaster recovery	60,000	33,207	32,082
Servers	To be used for Microsoft licensing as previously agreed, alongside the bid approved for 18/19 onwards. Linked to digital workforce as well as ICT infrastructure. The new licences will begin the functionality of Skype, sharepoint and other MS programs	88,751	55,194	55,194
Software/Hardware	Budget for GIS Digitalisation project which has started and runs to Sep 2018. Remaining budget required for scanning and indexing of property deed packets as well as improvements to GIS system and licensing	100,000	65,641	65,641
Industrial Unit Road adoption	Failure to secure the funding in 2018/19 will result in the required improvements to bring the road up to adoptable standard not progressing. This will result in additional liability for SDC in the future as the current road deteriorates	325,000	325,000	325,000
Private Sector Housing Renewal - Home improvement loans	Ongoing RAS commitments of £12k, also recycled loan funds of £6290 which relate to previous Regional Housing board funding which must be used for Private Sector Housing initiatives. RAS loan limit increased from £4k to £6k in 2018/19. Grants and loans service has returned in-house to SDC from April 18 and therefore is likely to be a more focused approach to supporting vulnerable homeowners with emergency repairs	46,000	43,504	30,000
Disabled Facilities Grant	This is Better Care Fund money. On-going DFG commitments (Approved but not Completed) total £107,000. In addition, new initiatives aimed at increasing take-up of DFG have been approved as part of the Private Sector Housing Assistance Policy 2018. Also, there are on-going discussions regarding the expansion of the adaptations service. The budget should therefore be carried forward to support both committed DFG's and potential increased future demand.	573,958	393,958	250,000
Housing Development Schemes	Loans to SDHT - To continue to fund schemes for Riccall and Ousegate.	1,987,300	1,711,200	1,711,200
		4,227,953	3,501,218	3,314,862

Programme for Growth Revenue Carry Forwards				
Description	Purpose of Carry Forward	17/18 Current Budget	Remaining Budget	Carry Forward Request
P4G Open for business projects fund	Linked to paid-for advertising. Final part of the agreed P4G campaign - this covers March 18 - June 18, using the remaining amount	57,914	18,108	18,108
P4G3 Access to Employment	Required to fund a response and private sector contributions to address the severity of labour market challenges particularly in Sherburn in Elmet.	100,000	100,000	100,000
P4G3 Church Fenton Studios	Carry forward required as liaison is ongoing with the site owners, key regional stakeholders and potential investors as to the site's future. Until these discussions have concluded, the scope of any potential project cannot be clarified.	300,000	300,000	300,000
P4G3 Growing Enterprise (1)	Carry forward to support small business activity, an SME support programme is being developed.	35,000	32,734	32,734
P4G3 Growing Enterprise (2)	As above	50,000	47,027	47,027
P4G3 Business Space and Accommodation Review	Carry Forward required to support the commission of specialist advice on any gaps in the provision for key sectors.	30,000	17,152	17,152
P4G Healthy Living Concepts	Fund expected to be spent across 2017-19 in line with health strategy action plan due to be delivered in 2017-18 in conjunction with IHL and NYCC Public Health. Health Action plan runs until 2020, funds have accrued until Action plan is signed off	50,213	47,176	47,176
P4G3 Stepping-up Housing Delivery	Carry forward to allow further work to be undertaken on how the Council could step-up its strategic enabling role in housing delivery including exploring options for investment in market housing to rent and for sale.	50,000	49,862	49,862
P4G3 Olympia Park	Going forward funding required to provide ongoing legal, property and delivery strategy advice and technical studies to support the strategic allocation in the Local Plan.	200,000	195,000	195,000
P4G Retail Experience STEP	Pop up realm work commissioned in Q1 of 2018/19 for delivery Q2 - work ongoing to develop the medium to long term support and development in the town centre. Links are being made between the STEP work, the Visitor Economy Action Plan and the Station Master Plan work	123,700	108,340	108,340
P4G Retail experience	Tadcaster Riverside Project is an agreed P4G project that is to be delivered. Due to the restructure, team capacity and Environment Agency works in the area, the project was delayed and paused during 2017/18. Work has begun again and the project is set to be delivered in Q3 2018/19	180,000	160,003	160,003
P4G Empty homes	This budget is to cover aspects of work generated through the empty homes project. The budget should be used to pay for the Empty Homes Officer and to support other Empty Homes initiatives. It should be noted that this is revenue funding. There is no capital funding for Empty Homes loans and therefore we may wish to consider if it is possible to capitalise any of this budget to support the loans and grants programme.	115,475	115,475	115,475
P4G3 Green Energy	The ED team only came up to full strength at the beginning of 2018 - as a result certain core projects have not been started or fully implemented. Now involved in specific activities that require funding for the next financial year	50,000	50,000	50,000
P4G Strategic Dev Sites & P4G Strategic Sites masterplan	The budget supports the progression of strategic development sites such as Olympia Park, Cross Hills and other Council assets such as Bondgate and Portholme Road. The fact that the Housing and Regeneration and Economic Development Teams were not established until the autumn of 2017, and the Council has been successful in securing external funding has contributed towards the underspend	391,755	253,387	246,613
P4G Housing Trust	The budget related to the previous structure whereby a Development Officers time was split between working on HRA and SDHT projects. Under the new structure the Housing and Regeneration Team is funded from the P4G Programme	30,000	15,800	15,800
P4G3 Towns Regeneration	Carry forward to allow the development of business cases to fund specific regeneration plans and projects in the towns.	150,000	150,000	150,000
P4G3 Tourism & Culture & Tour De Yorkshire	To be carried forward to allow some early win projects in the action plan to be delivered.	287,130	82,193	82,193
P4G Salaries - Various	To carry forward budget to support posts that have not yet been recruited to or employment commenced partway through the year.	1,102,450	434,859	434,856
		3,303,637	2,177,116	2,170,339

Housing Revenue Account Capital Carry Forwards				
Description	Purpose of Carry Forward	17/18 Current Budget	Remaining Budget	Carry Forward Request
Ousegate Hotel	Programme has been delayed due to the occupancy of the flats requiring work. Funding is required in 2018/19 in order to ensure the planned improvements can proceed once the various flats become vacant	60,000	59,499	59,499
Laurie Backhouse	Works to replace the lift are ongoing. Tenders have been received - contract preparation in progress. Failure to secure the funds will mean the lift cannot be replaced, leading to potentially increased repair costs	28,000	28,000	28,000
Footpath repairs	Programme has been agreed and work to secure procured contractor are underway. Securing the underspend in 2017/18 will enable a greater works of improvement to be carried out in 2018/19. Failure to secure the funding will result in fewer repairs being completed with may potentially result in increased compensation claims to the Council due to personal injury or property damage	30,000	12,237	12,237
Bathroom replacements	A programme of bathroom replacements has been issued with works scheduled to commence April 18. Failure to secure the funding will result in a reduction in the number of bathrooms which will be replaced and impact the repairs and/or voids.	30,000	29,860	29,860
Environment Improvement plan	Works to develop projects with local stakeholders has resulted in deliver being slower than anticipated. The first 2 significant projects for funding have been received and tenders sought for the completion of the works. Failure to secure the funding will result in the projects not proceeding and may result in reputational damage.	182,555	150,488	150,488
St Wilfrid's Court	Budget relates to works required to upgrade lifeline equipment and is to be undertaken as part of wider improvement of the property for which funds have been secured in 2018/19. Failure to carry forward the funding will impact our ability to undertake the upgrade works, which may result in units within the property being harder to let	13,000	13,000	13,000
Garage Sites	Works ongoing - funding is required to ensure work continues in 2018/19. Failure to carry forward will impact our ability to undertake the upgrade works required, with further dilapidation of the sites likely, leading to increased rent loss and anti-social behaviour	20,000	8,572	8,572
Fencing Programme	Contract let over three years to upgrade fencing to the Council's housing stock. Year one of the programme has been successfully completed (accrual submitted for majority of remaining budget). Works for completion on Year two of the programme have been identified and the additional funding will enable more properties to be completed.	50,232	9,783	2,821
External Door replacements	A contract has recently been let and works are scheduled to commence in June. Failure to secure the funds in 2018/19 will severely restrict SDC's ability to upgrade the external doors to our properties resulting in potential water ingress, possible structural damage and ultimately greater costs. In addition, insecure external doors may lead to increased levels of burglary resulting in potentially increased void costs, rent loss and ultimately reputational damage for SDC.	130,000	106,051	106,051
External Cyclical Repairs	Contract let over three years for ongoing external cyclical repairs and associated works programme. Failure to secure the funds in 2018/19 will result in significantly less properties being improved under the programme; with potential impact on the weather tightness of our housing stock. Weather tightness is a key criteria under HHSRS and failure to address such requirements could open SDC to claims of disrepair.	160,000	160,000	160,000
Asbestos Surveys and removal	Implementation of the new Keystone Asbestos module has highlighted significant gaps in the current survey information available. This will necessitate a significant level of surveys in order to ensure SDC fully complies with its obligations under H&S legislation. Failure to secure the funding in 2018/19 will severely impact SDC's ability to deliver the increased level of surveys necessary and potentially leave us exposed to prosecution under the aforementioned legislation. Penalties for failure to adhere to H&S legislation are severe with imprisonment and unlimited fines possible.	30,000	13,232	13,232
Pointing Programme	Contract let over three years for ongoing pointing programme and associated works. Failure to secure the funds in 2018/19 will result in significantly less properties being improved under the programme; with potential impact on the weather tightness of our housing stock. Weather tightness is a key criteria under HHSRS and failure to address such requirements could open SDC to claims of disrepair.	807,994	546,400	546,400
Roof replacements	The tender for the work to replace the roofs at the Hillside estate has recently been received and SDC are now in the process of completing the Section 20 consultation process with leaseholders on the estate. The need to undertake a full Section 20 consultation and the sensitivities around this have resulted in delays to progressing these works. The roofs are in desperate need of replacement having reached the end of their useful asset lifespan and failure to secure these funds in 2018/19 will mean the programme cannot proceed. This will lead to cost pressures on the repairs budget and may ultimately lead to structural failure of the properties.	532,650	521,636	521,636
PH 1 HSG Dev Byram / Egg 15	As a result of the recruitment of the Housing Regeneration Team not being finalised until October 2017, the expenditure on this project has been lower than projected. However, the scheme is now on site and will reach practical completion in January 2018	1,612,000	1,455,711	1,455,711
Asset Management system	Forms part of the Housing software replacement project that will continue throughout 2018/19	511,780	262,083	262,083
		4,198,211	3,376,552	3,369,590

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Programme for Growth 2017/18 Financial Year Project Updates - To 31 March 2018

Project	Lead Officer	Budget £	Position @ 31 March 2018		Year-end Update	Carry- over into 18/19?
			Year End Spend £	Year End Variance £		
Towns Masterplanning	Angela Crossland	150,000	0	-150,000	<p>Project paused as part of the review of existing P4G3 projects. A proposal will be brought back to re-focus the project onto specific known regeneration priorities and projects in the town centres rather than broader strategy development.</p> <p>Request to carry-over funding to allow us to develop Business Cases to fund specific Regeneration plans and projects in the towns:</p> <ul style="list-style-type: none"> * Selby Heritage Action Zone bid proposed for October 2018 linked to Selby Abbey HLF bid and Selby 950 Celebrations * Tadcaster Heritage-led Regeneration masterplan - potential HLF bid and Heritage England collaboration to address known issues to help Tadcaster reach its potential. * Sherburn Infrastructure-focussed review - to better understand gaps to delivery 	Yes
Visitor Economy	Angela Crossland	287,130	204,938	-82,193	<p>Tour de Yorkshire Tadcaster project successfully delivered. Make it York successfully completed their commission to produce the Visitor Economy Strategy and Action Plan. This was agreed by Executive in March 2018 including a £460k delivery pot for the first phase of work to support Visitor Economy Strategy and Action Plan delivery. The remaining £66k in this Visitor Economy project should be carried forward to allow some early win projects in the Action Plan to be delivered.</p>	Yes
Stepping Up' Housing Delivery	Chris Kwasniewski	50,000	138	-49,862	<p>Brief developed. Project superseded by significant work on the Council's new Housing Development Programme approved by Executive in January 2018.</p> <p>Carry forward to allow further work to be undertaken on how the Council could step-up its strategic enabling role in housing delivery including exploring options for investment in market housing to rent and for sale.</p>	Yes
Olympia Park	Chris Kwasniewski	200,000	5,000	-195,000	<p>The Council was successful in securing circa £9m funding from Homes England through their 'Housing Infrastructure Fund'. This means significant work is now required to complete 'due diligence' to unlock the HIF funding and prepare for the case to prove deliverability for the Site Allocation Local Plan (summer 2018) and planning application (December 2018). HIF and the landowners will fund the majority of work going forward but we need funding to provide ongoing legal, property and delivery strategy advice and technical studies to support the strategic allocation in the Local Plan.</p>	Yes

Project	Lead Officer	Budget £	Year End Spend £	Year End Variance £	Year-end Update	Carry- over into 18/19?
Strategic Sites Masterplanning	Chris Kwasniewski	391,755	145,142	-246,613	Funded due diligence work on Olympia Park, Portholme Road, Edgerton Lodge, Selby Station Masterplan and Kellingley Colliery. Likely future projects will include strategic infrastructure response to Sherburn Employment sites, Gascoigne Wood Strategic Rail Freight Interchange, and enabling work to help deliver our strategic housing and employment sites.	Yes
Access to Employment	Iain Brown	100,000	0	-100,000	Liaison with local businesses has emphasised the increasing severity of labour market challenges at Sherburn-in-Elmet. This will likely be exacerbated by the impending development of S2. A Business Forum has been established by the Council's new Senior Inward Investment Officer to fully understand the scope of the issue - this project will then fund a response (along with, it is envisaged, private sector contributions). No spend forecast for 17/18.	Yes
Green Energy	Iain Brown	50,000	0	-50,000	Further diligence work on project to be undertaken to produce robust cost/benefit analysis. This was to enable Burn Airfield to be connected to the national grid network so that renewable energy generation could be promoted once the tariffs allow us to achieve grid parity. Burn is a strategic acquisition for Selby District for the next Local Plan period (post 2027) and there is a proposed new P4G project to consider future development options for any new development. Ensuring sustainable energy supply will be a key consideration so it is proposed to carry this funding over to allow further work to be carried out. No spend forecast in 17/18.	Yes
Growing Enterprise	Iain Brown	85,000	5,239	-79,761	Match funding contributions paid to EU Leeds City Region business support programmes - AD:Venture & Digital Enterprise. This project will fund small business support activity. An SME Support Programme is being developed, in close consultation with the portfolio holder, by the Council's Senior Business Advisor which will set out the scope of the project in detail. The project is also seeking to develop income streams from support provision, which may mean that delivery from this project can extend into the next financial year. EDF conference and Launch fees covered from this budget.	Yes

Project	Lead Officer	Budget £	Year End Spend £	Year End Variance £	Year-end Update	Carry- over into 18/19?
Church Fenton Studios	Dave Caulfield / Iain Brown	300,000	0	-300,000	Liaison is ongoing with the site owners, key regional stakeholders and potential investors as to the site's future. Until these discussions have concluded, the scope of any potential project cannot be clarified. Positive progress has been made, with a planning application for the 'Create Yorkshire' site submitted, and currently there is no indication that public money will be required to bring the scheme forward (pending further discussions). Expecting to make partnership contribution to Business Plan work and specialist industry advice for the scheme.	Yes
Business Space & Accommodation Review	Iain Brown	30,000	12,848	-17,152	CoStar software has been purchased that provides live commercial data around the District's available/soon-to-be-available commercial stock. Advanced nature of software means that analysis can be undertaken as a project by a member of the Council's graduate programme, reducing overall project costs significantly. May also need to commission specialist advice to advise on any gaps in provision for key sectors.	Yes
Healthy Living Concepts Fund	Angela Crossland	50,213	3,037	-47,176	Park Run initiated and now sustained. Drafts for Active Travel projects due. A multi-agency Health Action Plan is almost completed and this will identify specific projects that may need funding. Potential commission for an active travel project of £25k factored in to expected outturn.	Yes
Marketing Selby's USP	Mike James	57,914	39,806	-18,108	Working directly with our businesses, we've created a series of case studies that tell the story of investment the district. These stories are told by businesses themselves and cover the key business assets for the area – for example road and rail connectivity, affordability of business space and quality of life to attract the best staff. These are the issues that businesses themselves have told us are selling points for the district. During the second half of the year we worked with the business community and partners such as the LEPS to push out this material using a wide variety of channels. The remaining funding – brought forward to 2018/19 - is being used to fund targeted regional and national advertising. We've negotiated with a number of publications and online platforms to create paid-for material supported by 'free' editorial. These are all now set up for the period up to September 2018. All of the remaining project fund has been allocated to this final priority of maximising the reach of the material we've been producing throughout the project.	Yes
Retail Experience - Tadcaster Linear Park	Angela Crossland	180,000	19,997	-160,003	This project has now been paused until early 2018 subject to Environment Agency work and current winter season.	Yes

Project	Lead Officer	Budget £	Year End Spend £	Year End Variance £	Year-end Update	Carry- over into 18/19?
Retail Experience - STEP	Angela Crossland	123,700	15,360	-108,340	Grants given to support Selby Arts Festival and Selby Food Festival. Small Business Saturday and Shop Local initiatives delivered Christmas 2017. Heart of Yorkshire Book retailing well. Commission in place to develop public realm work. Due for completion Summer 2018. Developing business case for town centre coordination role. Budget reprofiled with the partnership to span a 2 year initiative.	Yes
Empty Homes	June Rothwell / Simon Parkinson	115,475	0	-115,475	The Council has adopted the York and North Yorkshire Empty Homes Strategy 2017-2020 and A Selby District Empty Homes Action Plan which we are currently delivering. A full data base of Empty Home has been developed. All owners of empty properties have been contacted. The Empty Homes Officer has provided advice and assistance to owners of empty properties, and what enforcement action we will consider. The Executive has approved a new Housing Assistance Policy, which includes a scheme to provide grants and loans to enable empty property to be brought back into use. During 2017/18 18 Empty Homes have been brought back into use, exceeding the target of 12.	Yes
Selby District Housing Trust	Julie Slatter / Chris Kwasniewski	30,000	14,200	-15,800	This fund previously paid for half of the Housing Development Manager post, which has now been deleted from the new corporate structure. A revised resource request from the P4G was included within the Council's newly adopted Housing Development Programme. Underspent but discussions required with SDHT to support SDHT's role in the more ambitious HDP approved by Executive in January 2018.	Yes
Sherburn All-Weather Pitch	Angela Crossland	200,000	200,000	0	Project completed.	n/a
		2,401,187	665,705	-1,735,483		



Report Reference Number: E/18/03

To: Executive
Date: 24th May 2018
Status: Non Key Decision
Ward(s) Affected: All

Author: John Raine – Head of Technical Finance
Lead Executive Member: Councillor Cliff Lunn
Lead Officer: Karen Iveson – Chief Finance Officer, S151

Title: **Treasury Management – Annual Review 2017/18**

Summary:

This report reviews the Council’s borrowing and investment activity (Treasury Management) for the financial year to 31 March 2018 and presents performance against the Prudential Indicators.

Investments – On average the Council’s investments totalled £51.3m over the year at an average rate of 0.53% and earned interest of £271k (£209k allocated to the General Fund; £62k allocated to the HRA) which was £146k above budget.

Borrowing – Long-term borrowing totalled £59.3m at 31 March 2018 (£1.6m relating to the General Fund; £57.7m relating to the HRA), with an average interest rate of 4.19%. Interest payments of £2.5m were made in 2016/17 (£0.1m allocated to the General Fund; £2.4m to the HRA). The Council had no short term borrowing in place as at 31 March 2018.

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 2017/18 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 final monitoring report for treasury management in 2017/18 and covers the period 1 April to 31 March 2018. 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 25 February 2016.
- 1.4 The two key budgets related to the Council’s treasury management activities are the amount of interest earned on investments £125k (£100k General Fund, £25k HRA) and the amount of interest paid on borrowing £2.729m (£91k General Fund, £2.638m HRA).

2. The Report

Interest Rates and Market Conditions

- 2.1 Following the Monetary Policy Committee of 4 August 2016, the Bank of England cut interest rates from 0.50% to 0.25%. Where it remained until Q3 2017/18, when it increased to 0.50%. Q4 saw a gradual improvement in returns as the increase was reflected in market rates.
- 2.2 The Council’s treasury advisors Link summarised the key points associated with economic activity in 2017/18 as follows:
 - Brexit negotiations have been a focus of much attention and concern during the year but so far, there has been little significant hold up in progress;
 - UK growth in 2017 was weak in the first half of the year, although it did pick up modestly in the second half of 2017;
 - There was a sharp increase in inflation caused by the devaluation

- of sterling after the EU referendum
- As expected the MPC raised Bank Rate from 0.25% to 0.50% on 2 November;
- Market expectations for increases in Bank Rate shifted during the second half of 2017/18 and resulted in investment rates up to 12 months increasing sharply;
- The FTSE 100 hit a new peak in early 2018 before there was a sharp selloff;

2.3 Deposit rates continued into the start of 2017/18 at previously depressed levels but then slowly increased after the 2nd November, following the increase in bank base rate.

Table 1: Average Interest Rates 1 April 2017 31 March 2018

<i>Item</i>	<i>Range during Year</i>	<i>Start of Year</i>	<i>End of Year</i>	<i>Average during Year</i>
	%	%	%	%
Base Rate	0.25 - 0.50	0.25	0.50	
7 day LIBID	0.10 – 1.37	0.11	0.36	0.22
1 month	0.13 – 0.39	0.13	0.39	0.23
3 month	0.14 – 0.59	0.21	0.59	0.29
6 month	0.27 – 0.70	0.37	0.7	0.61
1 year	0.46 – 0.88	0.59	0.88	0.61

2.4 The Council's Treasury Advisors, Link provided a forecast for interest rates for both investments and PWLB borrowing as part of the Treasury Management Strategy. Table 2 shows the actual bank rate and PWLB rates at the end of the year compared to the forecasts during the year.

Table 2: Forecast for Interest Rates Included in Treasury Strategy

	Forecast	Forecast	Forecast	Forecast	Actual
	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q4 2017/18	31 March 2018
Bank Rate	0.25	0.25	0.25	0.25	0.50
5 Yr PWLB	1.60	1.60	1.60	1.70	1.85
25 Yr PWLB	2.90	2.90	2.90	3.00	2.69
50 yr PWLB	2.70	2.70	2.70	2.80	2.41

Annual Investment Strategy

- 2.7 The Annual Investment Strategy outlines the Council's investment priorities which are consistent with those recommended by DCLG and CIPFA:
- Security of Capital and
 - Liquidity of its investments
- 2.8 The Council aim was to achieve an optimum return on investments commensurate with these priorities. In the current economic climate officers are striving to achieve a balance of investments that will provide the best possible return 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 Link suggested creditworthiness matrices which take information from all the credit ratings agencies. Officers can confirm that the Council has not breached its approved investment limits during the year.
- 2.10 The level of funds available for investment during 2017/18 was higher than anticipated with an average of £51.3m available (against a forecast of £35-50m) for investment during the year. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of business rates and precept payments, receipt of grants, savings achieved and progress on the capital programme which has increased cash available to invest in the short term. The Council holds approximately £28m 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).
- 2.11 The investment of the cash balances of the Council are fully managed as part of the investment pool operated by North Yorkshire County Council (NYCC).
- 2.12 The Council achieved an annual rate of return of 0.53% in investments (0.49% NYCC Sweeping, 4.45% SDHT Loans), and higher than anticipated cash balances resulted in a surplus in investment income, the overall return of £271k was £146k above budget. The surplus on the investment income budget contributed towards the year end surplus on the overall revenue budget. The £271k investment income was allocated £209k to the General Fund and £62k to the HRA.

Borrowing

- 2.13 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 A.

Officers can confirm that the Prudential Indicators were not breached during the year.

- 2.14 The TMSS indicated that there was a requirement to take long term borrowing during 2017/18 to support the budgeted capital programme. However, the 2017/18 forecast borrowing requirement is entirely dependent on the level of funding required for the Housing Development programme which was delayed. Any borrowing requirement will be confirmed as the development plans progress.
- 2.15 The Council approved an Authorised Borrowing Limit of £81m (£80m debt and £1m Leases) and an Operational Borrowing Limit of £76.0m (£75m debt and £1m Leases) for 2017/18. The highest total gross amount of debt in the year to 31 December has not been more than £60.0m on any occasion.
- 2.16 The strategy, in relation to capital financing, is to continue the voluntary set aside of Minimum Revenue Provision (MRP) payments from the HRA in relation to self-financing debt in order to create capacity to internally borrow to support the Housing Delivery Programme. £1.3m was set aside during 17/18.
- 2.17 As a result, the Council was in an over-borrowed position of £5.8m as at 31 March 2018. This means that capital borrowing is currently in excess of the Council's underlying need to borrow. The slight reduction in the over-borrowed position compared with 16/17 outturn (£6.2m over-borrowed) is as a result of £1m GF debt repayment in 17/18 and HRA Housing Investment.
- 2.18 The 2018/19 Treasury Management Strategy forecasts an under-borrowed position by the end of 18/19, rising to £14.5m by the end of 20/21 as loans are made to support the Housing Trust, and HRA Housing Investment Programme. Plans to undertake any additional long term borrowing in the short/medium term will be kept under review as the Extended Housing Delivery Programme progresses and while borrowing rates remain low.

3. Alternative Options Considered

3.1 Not Applicable

4.0 Implications

4.1 Legal Implications

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

4.2 Financial Implications

The Council's investment income during the year has been highlighted through in-year monitoring and is reported in the surplus outturn position for the General Fund and HRA.

5. Conclusion

- 5.1 The impact of the economy, and the turmoil in the financial markets, continues to have an impact on the Council's investment returns. Forecasts predict steady growth in bank rates over the long term and therefore low returns are expected to continue for some while. This has been mitigated in 2017/18 by better than expected cash flows, largely as a result of the timing of collection fund cash-flows and is therefore not expected to repeat year after year.
- 5.2 The Council's debt position is in line with expectations set out in the Strategy, with no immediate changes on the horizon. However, as the Housing Delivery programme progresses and interest rates begin to rise, opportunities to optimise the Council's debt portfolio will be kept under review.
- 5.3 The Council operated within approved Strategy Indicators for the year, with no breaches on authorised limits. The Prudential Indicators are reviewed annually as part of the Treasury Strategy to ensure approved boundaries remain appropriate; activities during 17/18 have not highlighted any concerns.

6. Background Documents

Finance Treasury Management Files

Contact Details

John Raine
Head of Technical Finance
North Yorkshire County Council

Appendices:

Appendix A – Prudential Indicators as at 31 March 2018

Prudential Indicators - As at 31 March 2018

Note	Prudential Indicator	2017/18 Indicator	Quarter 4 Actual
1	Capital Financing Requirement £'000	59,019	53,790
	Gross Borrowing £'000	59,561	59,561
	Investments £'000	38,100	54,934
2	Net Borrowing £'000	21,461	4,627
3	Authorised Limit for External Debt £'000	81,000	81,000
4	Operational Boundry for External Debt £'000	76,000	76,000
5	Limit of fixed interest rates based on net debt %	100%	100%
	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	0
	2 to 3 years £'000	15,000	0
	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%	0.00%
	1 to 2 years %	20%	0.00%
	2 to 5 years %	50%	10.96%
	5 to 10 years %	50%	0.00%
	10 to 15 years %	50%	0.00%
	15 years and above %	90%	89.04%

1. Capital Financing Requirement – this is a measure of the Council’s underlying need to borrow long term to fund its capital projects.
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.