

Selby District Council



Agenda

Meeting: **Executive**
Date: **Thursday, 10 January 2019**
Time: **4.00 pm**
Venue: **Committee Room - Civic Centre, Doncaster Road, Selby, YO8 9FT**
To: **Councillors M Crane (Chair), J Mackman (Vice-Chair), C Lunn, C Metcalfe and C Pearson**

1. Apologies for Absence

2. Minutes (Pages 1 - 8)

The Executive is asked to approve the minutes of the meeting held on 6 December 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. HS2 Working Draft Environmental Statement (Pages 9 - 28)

Report E/18/37 provides the Executive with an update on High Speed 2 (HS2) and specifically the Working Draft Environmental Statement (WDES) which was recently out for public consultation.

5. Selby District Economic Development Framework 2017-2022 - Year One Review & Delivery Plan 2019 and 2020 (Pages 29 - 50)

Report E/18/38 provides the further information requested by the Executive on 8 November 2018 in relation to the proposed Economic Development Framework (EDF) Delivery Plan 2019 and 2020 and the associated progress review and budgetary transfers.

6. Housing Rents 2019/20 (Pages 51 - 56)

Report E/18/39 presents proposals for Housing Revenue Account rent levels which have been set in accordance with Central Government's current policy on rent setting.

7. Draft Revenue Budget and Capital Programme 2019/20 and Medium Term Financial Plan (Pages 57 - 84)

Report E/18/40 presents the draft revenue budget; capital programmes and latest forecast for the Programme for Growth for 2019/20 to 2021/22.

8. Annual Review of the Constitution (Pages 85 - 150)

Report E/14/41 highlights the proposed changes to the Constitution and asks Executive to refer them for consideration at the Audit and Governance Committee before they are presented to Council for approval.

Janet Waggott

**Janet Waggott
Chief Executive**

Date of next meeting
Wednesday, 6 February 2019 at 4.00 pm

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

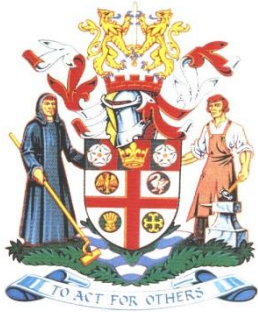
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Agenda Item 2

Selby District Council



Minutes

Executive

Venue:	Committee Room - Civic Centre, Doncaster Road, Selby, YO8 9FT
Date:	Thursday, 6 December 2018
Time:	4.00 pm
Present:	Councillors M Crane (Chair), J Mackman (Vice-Chair), C 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 & Commissioning), Karen Iveson (Chief Finance Officer (s151)), Gillian Marshall (Solicitor to the Council), Stuart Robinson (Head of Business Development and Improvement) (for minute item 59), Angela Crossland (Head of Community, Partnerships and Customers) (for minute item 61), June Rothwell (Head of Operational Services) (for minute item 65), Deb McFarlane (Solicitor) (for minute item 65), Julie Walden (Communications & Marketing Officer) and Palbinder Mann (Democratic Services Manager)
Public:	0
Press:	1

NOTE: Only minute numbers 59, 61 to 63 and 65 are subject to call-in arrangements. The deadline for call-in is 5pm on Wednesday 19 December 2018. Decisions not called in may be implemented from Thursday 20 December 2018.

56 APOLOGIES FOR ABSENCE

There were no apologies for absence.

57 MINUTES

The Executive considered the minutes of the meeting held on 8 November 2018.

It was queried whether the fire safety responsibility of the sites outlined in minute item 49 – ‘Leisure Services Planned Maintenance Programme Year 10’ had been clarified. It was agreed it would be checked whether a response had been sent on this.

It was noted that there was an error in the first resolution under minute item 55 – ‘Selby District Economic Development Framework 2017-2022 – Year One Review and Delivery Plan 2019 and 2020’ where the word ‘delivery’ should be replaced with the word ‘delivering’.

RESOLVED:

To approve the minutes of the meeting held on 8 November 2018 with the above amendment for signature by the Chair.

58 DISCLOSURES OF INTEREST

Councillor Mackman declared a personal non pecuniary interest in item 8 -‘Housing Development Programme: Ph2 Sites Detailed Business Cases’ as he was Chairman of the Selby and District Housing Trust. He stated that he would be leaving the meeting during the consideration of this item.

59 CORPORATE PERFORMANCE REPORT - QUARTER 2 - 2018/19 (JULY TO SEPTEMBER)

Councillor Mark Crane, Leader of the Council presented the report which provided a quarterly progress report of the Council’s Corporate Plan 2015-20.

The Leader of the Council highlighted an area of concern in relation to the average time to re-let council homes. It was explained that this was due to the poor condition of some of the homes once a tenant had left the property and the additional time required to make the property habitable for the next tenant.

Additionally, the Leader of the Council noted concerns around

missed bin collections and the number of active Lifestyle members.

Concern was raised at the overall performance of the Council, notably a slightly lower proportion of all indicators showing improvement than in previous quarters. It was noted that the sickness absence figure had been significantly impacted by the number of long term absences.

RESOLVED:

To note and approve the report.

REASON FOR DECISION:

The reporting of performance data enables the Council to demonstrate progress delivering the Corporate Plan priorities to make Selby District a great place.

60 GAMBLING POLICY REFRESH

The Lead Executive Member for Housing, Health and Culture presented the report which outlined the draft Gambling Policy as amended following consultation.

The Lead Executive Member for Housing, Health and Culture explained that the previous policy had been adopted in 2017 and the Council had a duty to review the policy every three years.

RESOLVED:

To note the draft Gambling Policy as amended following consultation and to recommend to the Council that it be adopted.

REASON FOR DECISION:

To ensure the Council has an up to date policy.

61 PROGRAMME FOR GROWTH (P4G) PROPOSED NEW PROJECT: UCI WORLD CHAMPIONSHIPS AND PARA-CYCLING ROAD RACE QUALIFIERS.

The Lead Executive Member for Housing, Health and Culture presented the report which provided the Executive with a brief outline of the UCI Road World Championships and para-cycle event 2019. The report also considered the proposed role of the Selby District in this, and the necessary resource required from Selby District Council to manage race requirements.

The Lead Executive Member for Housing, Health and Culture explained that the championships consisted of three events which would be held between 21 and 29 September 2019 with a start for

the para-cycle event in Tadcaster. The Executive were informed that £65k was required to resource staging the event with this being a mix of £25k for staging the event and £40k for infrastructure and security.

The Executive were supportive of the proposals and highlighted the benefit of staging the event for the district and in particular the benefit of having a start in Tadcaster after the flooding and bridge collapse that had occurred there.

RESOLVED:

To approve fund of £65,000 to host the para-cycling qualifiers event in line with the UCI Road World Championships Local Authority Agreement and to manage race routes through the district.

REASON FOR DECISION:

To meet the following requirements:

- *The Local Authority agreement with Y2019 to host the para-cycling start event at Tadcaster; and*
- *The P4G funding authority arrangement that all future P4G budget expenditures over the agreed £10,000 threshold will be presented to Executive individually for approval and tracked in future quarterly reports.*

62 BETTER TOGETHER - LEGAL SERVICES UPDATE REPORT

The Leader of the Council presented the report which outlined an update on the Better Together arrangements for Legal Services between Selby District Council and North Yorkshire County Council.

The Leader of the Council explained that the arrangements had provided more resilience for the District Council in the legal services area due to being able to access services from North Yorkshire County Council. Additionally, the Executive stated that they agreed with the proposal outlined in the report to fund an additional post to undertake planning work due to the levels of legal work required in the planning and planning enforcement areas.

RESOLVED:

To note that the legal services project is working well overall despite challenges which are being resolved within the spirit of collaboration which underpins the Better Together arrangements as a whole.

REASON FOR DECISION:

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To provide the Executive with the requested update and reassurance that the arrangements are delivering the service required.

63 HOUSING DEVELOPMENT PROGRAMME: PH2 SITES DETAILED BUSINESS CASES

Following his earlier declaration, Councillor Mackman left the room for the consideration of this item.

The Lead Executive Member for Housing, Health and Culture presented the report which detailed business cases for the small element of phase 2 of the Housing Development Programme. It was noted that the cost estimates were in an exempt appendix therefore if the Executive wished to discuss this, they would have to move into private session.

The Executive were informed that the programme was a £22 million programme to deliver 207 homes. It was noted that the Council and the Selby and District Housing Trust (SDHT) had brought 50 additional affordable housing units to the district in phase one of the programme and had acquired 12 section 106 units. Additionally, it was noted that the phase two sites outlined in the report would be for additional units to be built as Council houses or by SDHT as affordable rented homes.

The Lead Executive Member for Housing, Health and Culture explained that the costs estimates were based on the procurement framework and were above the estimates used in setting the programme budget. The Executive were informed that officers had looked at the reasons for the increase in the estimates and whether these still represented value for money with the findings set out in the report.

The Executive raised concern at the increase in the section 106 subsidy from £20k per unit to £50k per unit and felt that the cost estimates in the report should be lowered through negotiations. The Solicitor to the Council explained that the decision in the report was linked to the procurement process and approval would enable the Council to work with the contractors to value engineer the costs down. Additionally, it was explained that if the final costs were lower than the approved estimated, delegation was provided to proceed however if the costs were higher than the ones outlined in the report then the decision would be brought back to Executive. It was agreed to insert the words 'subject to contract' in resolution two to reflect this.

The Executive also felt that resolution two should include consultation with an Executive member to ensure there was

member involvement in the decision. It was agreed that the member would be the Leader of the Council and it was agreed to amend the resolution to reflect this.

With regard to the section 106 subsidy, the Chief Finance Officer explained that the new figure of £50k per unit should be considered against the transfer value per unit included in the section 106 agreement and therefore even if the Council was using the maximum figure, it would still be maximising the delivery of homes.

RESOLVED:

- i) To approve the detailed business cases for the seven sites subject to Council's agreement to drawdown additional funding for the programme from the s106 reserve in the 2019/20 budget proposals;**
- ii) To authorise the Director of Economic Regeneration and Place in consultation with the Leader of the Council to offer the sites most suitable for housing to the Selby and District Housing Trust at nil value along with a loan and s106 grant subject to contract to fund the development of affordable housing on the usual terms and conditions;**
- iii) To authorise officers to proceed to award contracts and seek planning consent for the sites in partnership with Selby and District Housing Trust; and**
- iv) To delegate final approval of the transfers and loan documents to the Chief Finance Officer in consultation with the Lead Councillor for Finance and Resources and the Solicitor to the Council.**

REASON FOR DECISION:

To deliver the Housing Development Programme.

Councillor Mackman returned to the meeting.

64 PRIVATE SESSION

It was proposed, and seconded, that the Executive sit in private session for the next item due to the nature of the business to be transacted.

RESOLVED:

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

65 USE OF A COMPULSORY PURCHASE ORDER TO BRING AN EMPTY HOME BACK INTO OCCUPATION.

The Lead Executive Member for Housing, Health and Culture presented the report which outlined details of the use of a Compulsory Purchase Order (CPO) by the Council to bring an empty home back into occupation.

The Lead Executive Member for Housing, Health and Culture explained that the property in question had been empty for over 20 years and as a result was in a bad state of repair. The Executive supported the proposals and that action needed to be taken in respect of properties left vacant for considerable lengths of time.

RESOLVED:

- i) To note that delegated authority was given by the Executive on 4 January 2017 to purchase properties in relation to the Empty Homes Strategy and Action Plan.**
- ii) To authorise the Director of Corporate Services and Commissioning to make a compulsory purchase order to be known as the Selby District Council (Property X, Selby) Compulsory Purchase Order under Section 17 of the Housing Act 1985, in respect of the land and property indicated on a map marked with the name of the Compulsory Purchase Order, where the words "Property X" will be replaced with the full address of the Property.**
- iii) To authorise the Director of Corporate Services and Commissioning to take all necessary steps, including sign all necessary documentation and orders to effect the decision made by the Executive.**

REASON FOR DECISION:

To ensure empty homes which have been left lengthy for long periods of time are brought back into use in accordance with the Council's Empty Homes Strategy.

The meeting closed at 4.53 pm.



Report Reference Number: E/18/37

To: Executive
Date: 10 January 2019
Status: Non key decision
Ward(s) Affected: All
Author: Clare Dickinson, Principal Planning Officer
Lead Executive Member: Cllr John Mackman, Lead Executive Member for Place Shaping
Lead Officer: Dave Caulfield, Director of Economic Regeneration and Place

Title: HS2 Working Draft Environmental Statement

Summary:

This report provides the Executive with an update on High Speed 2 (HS2) and specifically the Working Draft Environmental Statement (WDES) which was recently out for public consultation. The WDES details the likely environmental impacts of building and operating Phase 2b of HS2, as well as setting out the proposed ways to avoid, reduce, mitigate and monitor the effects

Recommendations:

- i. The Executive notes the contents of this report
- ii. The Executive notes the consultation response which was submitted to HS2 Ltd on 20th December 2018 (copy provided at Appendix A).

Reasons for recommendation

The Executive is asked to note the comments which were submitted to HS2 Ltd on 20th December 2018.

1. Introduction and background

- 1.1 HS2 is a new high speed railway proposed by the Government to connect major cities in Britain. It will be built in two phases. Phase one comprises approximately 140 miles between London and the West Midlands. Phase two of HS2 will extend the line to the north west and north east and will be constructed in two phases:

- Phase 2a – the western section of phase two between the West Midlands and Crewe
- Phase 2b – comprising the remainder of phase two, between Crewe and Manchester and between the West Midlands and Church Fenton.

1.2 Construction of phase 2b is expected to start in 2023 and operation is planned to start by 2033. Officers from Selby District Council and North Yorkshire County Council have had ongoing involvement with HS2 Ltd on the technical development process involved with continuing route design and refinement. North Yorkshire County Council also submitted a response to the WDES relating to this section of the route.

1.3 The WDES sets out the proposed scheme and its likely significant environmental effects based on a stage in the ongoing design and assessment. The assessment will be updated for the formal ES to reflect the changes following the consultation and further work on the design and assessment between now and when the hybrid Bill is deposited in parliament in mid-2020. Consultation on the WDES was not a statutory requirement, however HS2 Ltd recognises the importance of ensuring widespread engagement on the proposed scheme. The period of public consultation took place between 11th October and 21st December 2018 and provided Selby District Council with the opportunity to submit formal comments on the scheme.

1.4 The Council's position on HS2 was formalised by the Executive on 7 June 2018, where it was agreed that if the development of the route goes ahead, Selby District Council should seek to minimise any adverse local impacts as well as maximise the benefits for Selby District's residents and businesses.

2. Working Draft Environmental Statement

2.1 The WDES is made up of a collection of documents and can be viewed online at <https://www.gov.uk/government/consultations/hs2-phase-2b-working-draft-environmental-statement>. Volume 1 provides the introduction and methodology and offers an overview of the proposed route and the environmental impact process. Volume 2 sets out community area reports and maps and describes the likely significant route-wide environmental effects of construction and operation, based on the current level of design.

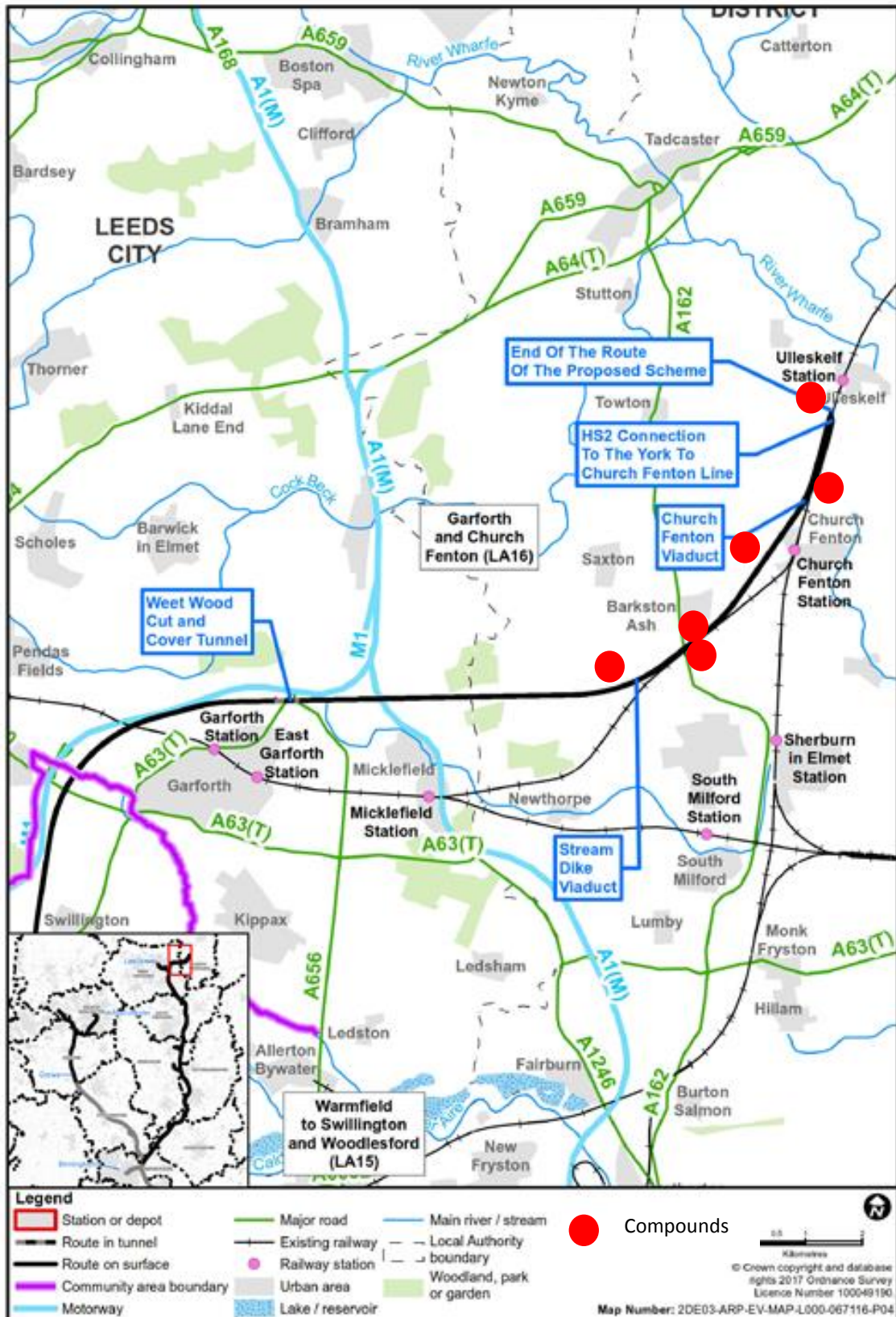
2.2 Volume 3 sets out the likely significant route-wide environmental effects of the construction and operation, based on the current level of design. Volume 4 details the likely off-route works (where locations are known) and the approach to their assessment.

2.3 For environmental assessment and community engagement purposes, the proposed scheme has been divided into 28 different community areas. Selby District Council is impacted by the Garforth to Church Fenton community area which is subject to its own community area report and map book, detailing the construction phase and the proposed scheme.

3. Community Area: Garforth to Church Fenton

- 3.1** The Garforth to Church Fenton section of the line is approximately 16 km in length and lies within the local authority areas of Selby and Leeds. Map 1, overleaf, identifies the extent of this part of the route and shows where the route will join the existing York to Church Fenton railway line, just south of Ulleskelf.
- 3.2** The route is proposed to travel east from Micklefield in cutting, passing under the Great North Road and the A1(M) and then into Selby District on embankment. The route is then proposed to cross Stream Dike, north east of Sherburn in Elmet, on a short section of viaduct and then continue north-east on embankment to the south of Barkston Ash. The route is then proposed to move onto viaduct between south west of Church Fenton at Common Road and south of Ulleskelf, where it would continue on embankment and connect to the existing Church Fenton to York line at Ulleskelf.
- 3.3** In addition to the route, there are 6 satellite construction compounds proposed in Selby District at Stream Dike (Coldhill Lane), two close to Barkston Ash (both close to London Road), two at Church Fenton (Common Road and Mires Lane) and one south of Ulleskelf (Wath Lane). Their approximate locations are shown as red dots on the plan overleaf.

Map 1: Garforth to Church Fenton Community Area



4. Selby District Council response

- 4.1** A copy of the Council's response is provided at Appendix A. A summary of the main issues raised are provided below.
- 4.2** The limestone ridge in this area (stretching from the border with Leeds district to Barkston Ash) is designated as a Locally Important Landscape Area (LILA) in the Selby District Local Plan. The value and sensitivity of this landscape has not been recognised within the WDES and the reason why this section is placed on an 11m high embankment, at the highest point of the ridgeline, is unclear and will inevitably cause significant adverse landscape and visual effects. Furthermore, the significance of Huddleston Hall (a Grade II* Listed Building on the at-risk register) is not recognised and mitigation is absent. There are serious concerns that if the impact upon the hall is too great, it could preclude efforts to bring the building back into a sound state of repair.
- 4.3** The height, length and scale of Barkston Ash Embankment and Church Fenton Viaduct are substantial and there are likely to be significant adverse landscape and visual effects on the settlement of Church Fenton given the proximity. If these structures are unavoidable, consideration should be given to the quality of aesthetic design and wider community benefits and offsetting that can be achieved. The proposed viaduct passes close to residential receptors at Church Fenton and therefore it is anticipated that a noise barrier will be necessary. However, whilst a noise barrier may provide effective mitigation against noise it may be unacceptable in terms of alternative impacts, such as visual amenity and landscape impact.
- 4.4** Overall, along the length in Selby District there currently appears to be a net loss for biodiversity, as such there is a need to increase the areas of land for mitigation and compensation and to include sufficient enhancement measures to demonstrate that the scheme can achieve a net gain for biodiversity, as required currently by national policy.
- 4.5** The proposed route which passes through Selby District is rural in nature and as such existing residents are likely to enjoy a relatively tranquil soundscape. On this basis, we would request that predicted noise levels are considered against baseline noise data, particularly where baseline noise levels are low. Failure to consider this may lead to a significant impact due to the magnitude of change in noise level, regardless of whether the absolute threshold level is exceeded or not.
- 4.6** The WDES works on the assumption that any heritage assets within land required for the construction of the scheme will be removed or demolished. This approach goes against the standard practice of assessing route options and attempting to design out the most sensitive and significant areas. The basis for this type of pre-assessment is enshrined in the National Planning Policy Framework. In terms of the mitigation of archaeological impacts, the WDES focuses on preservation by record. Opportunities for re-design or re-

location, particularly of off-line facilities, such as site compounds and balancing ponds, should be considered where this can lessen the impact on heritage assets.

5. Alternative Options Considered

Not applicable.

6. Implications

6.1 Legal Implications

Not applicable

6.2 Financial Implications

Not applicable

6.3 Policy and Risk Implications

Not applicable

6.4 Corporate Plan Implications

The Council's Corporate Plan 2015-20 outlines the Council's ambition to make Selby District a great place to do business, a great place to enjoy life and a great place to make a difference. The development of HS2 can have a transformational impact on how local employers do business in the District, and how residents enjoy life. For our businesses, HS2 will improve access to talent, supply chains and markets, whilst residents will benefit from wider employment and skills opportunities, and improved connectivity to some of the UK's major cities. However, it is also important to recognise that the development of the project could have a significant impact on the communities affected by the route and their ability to enjoy life. The Council should seek to minimise any adverse local impacts through this consultation exercise and ongoing officers' engagement with HS2 Ltd.

6.5 Resource Implications

The Council's ongoing engagement with HS2 Ltd and NYCC on technical matters will require continued input from officers.

6.6 Other Implications

Not applicable

6.7 Equalities Impact Assessment

HS2 Ltd have also recently consulted upon a Working Draft Equality Impact Assessment Report which closed on 21st December 2018.

7. Conclusion

- 7.1** Construction of phase 2b (Crewe to Manchester and the West Midlands to Church Fenton) is expected to start in 2023 and operation is planned to start by 2033. Officers from Selby District Council and North Yorkshire County Council have had ongoing involvement with HS2 Ltd on the technical development process involved with continuing route design and refinement.
- 7.2** HS2 Ltd consulted on a Draft Working Environmental Statement between October and December 2018, which whilst not a statutory requirement, provided Selby District Council with the opportunity to submit formal comments to the scheme. Comments and ongoing refinements to the scheme will feed into the final Environmental Statement which will be submitted when the draft bill is deposited in Parliament, in 2020.
- 7.3** The Executive are presented with Selby District Council's response to HS2 Ltd which is provided at Appendix A. These were submitted to HS2 Ltd on 20th December 2018.

8. Background Documents

[HS2 Phase 2b Working Draft Environmental Statement](#)

9. Appendices

Appendix A: Selby District Council Comments on HS2 Phase 2b Working Draft Environmental Statement

Contact Officer:

Clare Dickinson
Principal Planning Policy Officer
cdickinson@selby.gov.uk
01757 292101

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December 2018

Dear Sir/Madam

Re: HS2 Phase 2b working draft Environmental Statement

Thank you for providing Selby District Council with the opportunity to comment on the HS2 Phase 2b working draft Environmental Statement (WDES).

The Council is actively positioning Selby District at the heart of sub-regional and regional discussions around transport, connectivity and economic growth, and is keen to maximise the opportunities afforded by the delivery of HS2, as well as minimise any adverse local impacts. The importance of ongoing community engagement is stressed to ensure that those that are most impacted by the proposal are involved in a meaningful way.

The Council would like to make the following specific points with regards to the WDES and consider that issues relating to noise and landscape impacts are of greatest concern. These comments need to read in conjunction with comments provided by North Yorkshire County Council, relating to this section of the route.

Q1: What comments do you have on the information presented in the working draft Environmental Statement?

General Comments

In terms of the overall approach taken, Selby District Council strongly consider that HS2 should make it a priority to avoid significant impacts wherever possible by designing them out or through the relocation of operational and construction areas, where this is feasible. Mitigation of significant impacts should only be considered as a last resort, when all other options have been considered.

The consultation document is significant as might be expected with a project of this scale. The online navigation and guides provide a useful tool to aid navigation to the relevant sections, however, the consultation period for such a substantial document makes it extremely challenging to fully consider the information available in order to make a meaningful and informed response. The timescales are particularly challenging for consultees such as Local Authorities, where a multidisciplinary coordinated response is requested.

The main title of the document "*High Speed Rail (Crewe to Manchester and West Midlands to Leeds)*" appears to exclude the leg to the east of Leeds which travels through the Selby District wards of Barkston Ash, Church Fenton and Ulleskelf.

The maps contained within the WDES map books are of differing scales and orientations, which makes the document difficult to use and increases the likelihood of errors and inconsistency in the design and reporting of effects and mitigation. The absence of cross sections in the map books appears to be a serious omission and their inclusion would have greatly assisted in fully understanding the impact of the proposals.

Air Quality

Section 8.3 addresses Air Quality in terms of short term impacts from construction activities and longer term impact from the operational phase of the development. It is anticipated that impacts on Air Quality from construction activities will be controlled through the Control of Construction Practice (CoCP). It is agreed that the guidance documents specified are appropriate for the assessment and HS2's policy on vehicles emissions is welcomed, i.e. the use of Euro VI HGVs and Euro 4/6 petrol/diesel cars and LGVs, would be applied during construction of the Proposed Scheme. It is suggested however that a degree of flexibility is incorporated in to the ES, taking into account the proposed construction timetable the documents and standards referred to may well have been superseded by time construction commences.

Section 7 of the draft CoCP deals with Air Quality impacts general provisions, measures to reduce potential impact on air quality including dust and monitoring of Air Quality and dust. The measures, mitigation and monitoring are welcomed but are currently very general and high level. It is expected that site specific management plans will be developed and agreed to ensure that the general principles contained within the CoCP are achieved.

Archaeology

The WDES works on the assumption that any heritage assets within the land required for the construction of the scheme will be removed or demolished (Vol. 1, 8.8.13 & Vol. 3, 8.2.1). This goes against the standard practice of assessing route options and attempting to design out the most sensitive and significant areas. The basis for this type of pre-assessment is enshrined in the National Planning Policy Framework (para. 189).

The WDES sets out a strategy for the assessment of the impact of the proposal on heritage assets including archaeological and palaeo-environmental remains (Vol. 1, para. 8.81). The first part of this assessment is the collation of a range of existing documentary sources including the Historic Environment Record held by North Yorkshire County Council (NYCC), historic maps and aerial photographs (Vol. 1, para. 8.86). This will be supplemented by use of newly commissioned LiDAR surveys, site visits, surface artefact collection and geophysical surveys (Vol. 1, para. 8.87 & Vol. 2, LA16, para. 9.2.7).

Vol. 1, para. 8.88 states that archaeological survey work is being discussed with local authority archaeologists on a case-by case basis. This has not yet been the situation in Selby District / NYCC although the Council are currently working with HS2 to set up a meeting in this regard.

There is no objection to the survey techniques outlined above as an initial approach, however these types of non-invasive surveys are not normally sufficient to properly assess the significance of heritage assets of archaeological interest. Targeted trial trenching is advised to fully inform of this significance.

The WDES states that no intrusive site investigations have been undertaken as part of the baseline data collection (Vol. 1, para. 8.8.14) and that these would be undertaken at the pre-construction

stage or later. Without supporting data from intrusive surveys, e.g. trial trenching, it will not be possible to provide a reasonable assessment of significance.

Vol. 1, para 8.8.16 states that any field surveys are subject to land access and site conditions. This may mean that field survey of any form is not possible for parts of the route. This will form a constraint on the assessment of the impact of the scheme on heritage assets. Where survey has not been possible for logistical reasons this should be clearly set out in the ES.

The WDES states that a route-wide general written scheme of investigation: historic environment research and delivery strategy (GWSI:HERDS) has been prepared setting out the principles for research, investigation etc (Vol. 1, para. 9.8.3). Selby District Council have yet to be consulted on this document and therefore cannot comment on its suitability at this time.

Vol. 1, paras 9.8.3 & 9.8.4 correctly indicate that the resultants finds and other materials from archaeological mitigation will be properly archived. We are aware that many of the museums in the area are no longer able to accept new archives due to lack of capacity. As HS2 may generate a significant amount of archaeological material early engagement with the museum sector is recommended. Additional resources may be required by the museum sector, particularly in the form of additional storage. This issue was recently raised at a national level by John Howell MP and Lord Redesdale in a recent report:-

(http://www.appag.org.uk/future_arch_services_report_2014.pdf - para' 5.35-5.37).

The mitigation section of the WDES focuses very much on preservation by record. Opportunities for redesign or re-location, particularly of off-line facilities, such as site compounds and balancing ponds, should be considered where this can lessen the impact on the heritage assets.

Specific archaeological comments relating to the LA16 Community Area report are as follows. Archaeological comments on Vol. 1 apply to concurring paragraphs in Vol. 2:

Vol. 2, para's 9.3.6 and 9.3.7 ascribe values to the known heritage assets of archaeological interest. At this moment in time these value judgements are very subjective as the sites have not been subject to any form of field evaluation. This would preferably include both non-invasive and invasive techniques.

The Community Area report does not contain any discussion on the archaeological potential of the area over and above the known heritage assets. The narrative presented in the Historic Environment Overview (para. 9.3.9 - 9.3.23) is useful but could go further in attempting to predict the likely archaeological resource based on the underlying geology and known heritage assets.

Vol. 2, paras. 9.3.5 & 9.4.18 identify a former Friends' Burial Ground (MNY10809). This was not noted during the installation of the Asselby to Pannal gas pipeline which bisected the site as depicted on Ordnance Survey mapping. There is therefore some doubt as to the exact location and therefore the level of impact.

Vol. 2, 9.4.21 describes the site of the former Church Fenton Brick and Tile Works. This is assessed as being of low value. The route of the line passes partly over the clay extraction area and also bisects the former factory buildings which would include kilns and other industrial features. These are of a higher value than stated.

Conservation & Design

The main issues are the following with respect of conservation and design issues:

CT-06-500 to CT-06-503

The limestone ridge in this area is extremely important both historically and archaeologically. The area contains one of the largest concentrations of protected parks and gardens in the region. There are also legible patterns of listed buildings associated with earlier settlement patterns. The area is also designated as a Locally Important Landscape Area. The proposed line runs over this landscape, raised on an embankment, despite this area of land being higher than any other topography for miles around. It is unclear why this design solution is proposed and it appears that not sufficient consideration has been given to the impact of the railway within this highly important landscape.

CT-06-501

The line will run in close proximity to Huddleston Hall which is a Grade II* Listed building at risk along with other associated structures. The line will run upon the ridge to the north within the primary frontage view of the hall. When asked in an earlier meeting, HS2 advised that the hall faces south and so the line would run behind the hall – and therefore reducing the impact on the hall. However, a site visit undertaken by Selby District Council has confirmed that the hall directly faces the proposed line and as such it is in danger of being more significantly harmed. If the impact upon the hall is too great, it could preclude efforts to bring the building back into a sound state of repair and this is a serious concern.

CT-06-503

Barkston Ash contains several Listed Buildings and is historically important, due to the good survival of buildings and structures. The line will be close to the village and although impact could be minimised, details of the height of the railway and associated paraphernalia need to be understood for a more thorough assessment to be made.

CT-06-504 to CT-06-505

If the need for a viaduct at Church Fenton is unavoidable, then the structure will introduce a substantial element into the landscape which will need to be understood. The introduction of a viaduct provides the opportunity to provide a structure of high quality design to mark the beginning / end of the line.

Ecology

The WDES has been prepared without habitat and species survey work having been carried out, this means that a full detailed impact assessment has not been carried out and any mitigation or compensation measures cannot be measured in terms of achieving net gain for biodiversity.

Overall along the length of LA16 within Selby District there currently appears to be a net loss for biodiversity, as such there is a need to increase the areas of land for mitigation and compensation and to include sufficient enhancement measures to demonstrate that the scheme can achieve a net gain for biodiversity as required currently within national policy. This is likely to require off site provision of habitats that are suitable to the local area that can be managed in the long term. It is important that HS2 identifies these areas and assesses the current value of them before designing suitable enhancement measures.

Having reviewed the maps of the LA16 area in Selby District, specific ecological comments are provided as follows:

CT-05-500 – the plan shows the railway on embankment traveling west-east between two ancient woodlands Ringhay Wood to the north and Daniel Hartly’s Wood to the south – whilst the woodlands themselves remain unaffected species connectivity between the woodlands and hedgerow network will be severed by the scheme. The issue of collision by bats and birds will need to be considered in this location. Plan CT-06-500 shows no mitigation or compensation for these impacts with minimal planting provided on the railway embankments. This area would be an ideal location to provide broadleaved woodland compensation connecting the woodlands and providing continuation of habitat for species using the woodland network.

CT-05-501 – the route in this area will result in the loss of part of a woodland known as Middle Fox Covert which from CT-06-501 does not appear to have been compensated for.

CT-05-502 & CT-06-502 – the infrastructure in this area will lead to an isolated parcel of land between Coldhill Land and the two railway lines. In considering options for this area the restoration of Copley Lane Quarry should be taken into account as the area overall has the potential to provide semi natural habitat of value to biodiversity.

CT-05-503 & CT-06-503 – the area of development in this location crosses a number of watercourses and there are records of water voles from these. Mitigating impacts upon water voles and maintaining connectivity will be important considerations in this location. Apart from planting on the embankment there is no mitigation or compensation areas provided in this location. Given the proximity of the railway to the community of Barkston Ash this is a location where ecological mitigation/compensation could be linked with green infrastructure requirements and public rights of way to benefit people and wildlife.

CT-05-504 & CT-06-504 – there are large areas of land associated with works in this location where the railway on embankment becomes the Church Fenton viaduct. Opportunities to minimise impacts upon semi natural habitat should be taken, particularly where temporary impacts are involved. Some woodland habitat creation is mapped in the area of Sandwath Farm and there is an area of landscape woodland/scrub planting but no information is provided to indicate what the ecological value of these areas will be and how they will be managed in the long term. There is also a floodplain compensation area in this location and its value in providing ecological compensation and enhancement should be explored. Given the close proximity of residential areas there is again an opportunity to consider the provision of accessible green space.

CT-05-504-L1 & CT-06-504-L1 – this area has a parcel of material stockpile and a large area of floodplain compensation – as such it will be subject to high levels of disturbance. Both of these areas are located directly adjacent to Patefield Wood which is a Site of Importance for Nature Conservation (SINC) and ancient woodland. There are also a number of veteran trees recorded in the location. The impacts of these temporary and permanent changes to these areas of land need to be assessed in detail and given that this area of land is not required for the main railway works, should negative impacts be recorded then HS2 should aim to avoid these impacts by locating these works elsewhere. No ecological mitigation or compensation is provided within this location and given the impacts expected this is not considered acceptable.

CT-05-505 & CT-06-505 – this area will leave areas of land isolated between the two railway lines. On the restoration plan there are large areas of woodland planting and whilst this may be appropriate in some locations without having first identified the local impacts it is possible that there may be other more appropriate habitats such as grassland or shallow wetlands. This area historically supported

extensive wetland habitats prior to being drained for agriculture and HS2 should look to identify remnant wetland habitats that can be used as a reference for more appropriate reinstatement.

CT-05-505-R1 & CT-06-505-R1 – this area includes a parcel of land for temporary material stockpile and a large area of floodplain compensation. This is an ideal location to look for opportunities to create shallow wetlands which would have been extensive in this area in the past.

CT-05-506 & CT-06-506 – in this location there is a SINC known as Haigh's Grass (SE53-11) which appears to be almost entirely lost to a temporary material stockpile and construction land – this is considered unacceptable given the temporary nature of the land use and HS2 should make every effort to locate the stockpile elsewhere and ensure necessary measures are put in place to protect the interest features of the SINC. In addition indirect impacts resulting from changes in hydrology from excavation of balancing ponds and flood compensation areas will need to be assessed in relation to Kirby Wharfe SSSI and Haighs Grass SINC as both of these sites are water dependent and sensitive to changes in the local hydrology. The area identified for flood compensation has the potential to provide an area of ecological compensation/enhancement due to its location in close proximity to the SINC and SSSI. Objectives for this area should include expansion of the habitats currently identified as interest features for designation, providing a buffering and connectivity function. Large areas of woodland planting within this location are unlikely to be appropriate to the locally important habitats.

CT-05-507, CT-06-507, CT-05-507-R1 & CT-06-507-R1 – whilst works in this area appear to be closely associated with the existing railway there is the need to take account of a SINC known as Station Yard (SE54-01) which has not been identified within the WDES. The site appears to be lost to construction works and as noted previously, where possible impacts should be avoided. Where avoidance is not possible mitigation and or compensation measures will be required. Currently no mitigation or compensation is proposed for the works at this location.

Landscape

The WDES methodology for undertaking landscape and visual assessment is generally consistent with standard methodology (GLVIA third edition). However, the assessment does not aim to present a complete assessment but only significant effects. This is the applicant's judgement and prevents a complete picture of how 'significant effects' have been determined and what is not included.

The WDES landscape and visual assessment is inconsistent in the way that it is presented and is particularly challenging to review and interpret because the map books needed to refer to are presented at different scales, formats and orientation (CT series, LV-02 series and LV Viewpoints series). This increases the likelihood of errors and inconsistency in the design and reporting of effects and mitigation.

A series of 'significant affected viewpoints' are indicated on the LV series plans but there is no explanation of how these have been determined in the absence of detailed assessment and field work. The geographic or spatial extent of the landscape and visual effects should be explained and shown on the supporting plans within the Final ES, as HS2 methodology.

The proposals for mitigation are unexplained and cannot be measured or linked to the likely significant effects identified within the assessment. There is notable inconsistency of proposals and mitigation shown between the CT and LV series plans.

In terms of area-specific landscape comments, these are set out below:

CT-06-500 to CT-06-501 – this section is designated as Locally Important Landscape Area (LILA) within Selby District Council Local Plan (ENV15), valued as an attractive landscape associated with the limestone ridge, with its distinctive undulating topography and richer tree cover. In this area, the Local Plan requires that particular attention should be paid to the design, layout, landscaping of development and the use of materials in order to minimise its impact and to enhance the traditional character of buildings and landscape in the area, an approach which has been discussed and agreed through the Local Plan Examination. This value and sensitivity is not recognised within the assessment and this is not acceptable. The reason why this section is placed on 11m high embankment at the highest point of the ridgeline is unclear and will inevitably cause significant adverse landscape and visual effects. The use of linear tree planting along the north side of the line is unclear. Proposed mitigation should reflect the local landscape setting. The use of woodland planting is inconsistent between CT and LV plans. The significance and setting of Huddleston Hall is not recognised and mitigation is absent (additional viewpoints and photomontage locations should be provided).

CT-06-502 to CT-06-503 – this section is also designated as Locally Important Landscape Area (LILA) within Selby DC Local Plan (ENV15), comments as above. Linear planting along embankments should be reduced and supported by the wider use of mitigation to support and integrate with local landscape character. It is essential that greater emphasis is given to reduce construction and operational effects at the settlements of Barkston Ash and Sherburn in Elmet due to proximity and high sensitivity.

CT-06-504 +L1 to CT-06-505 +R1 – The height, length and scale of Barkston Ash Embankment and Church Fenton Viaduct is of concern and there are likely to be significant adverse landscape and visual effects on the settlement of Church Fenton given the proximity. Great consideration should be given to the quality of aesthetic design of structures and wider community benefits and offsetting. Landscape mitigation should reflect and integrate with the wider low lying wetland landscape character and setting while reducing settlement impacts. It is unacceptable that there is no proposed mitigation to reduce operational impacts, which have potential to be significant adverse.

CT-06-506 to CT-06-507 – There is potential for significant landscape and visual effects on the settlement of Ulleskelf due to sensitivity and proximity. Landscape mitigation should reflect and integrate with the wider landscape character and setting while reducing settlement impacts. It is unacceptable that there is no proposed mitigation to reduce operational impacts.

CT-06-507-R1 –There is potential for significant landscape and visual effects on the settlement of Bolton Percy due to sensitivity and proximity. Landscape mitigation should reflect and integrate with the wider landscape character and setting while reducing settlement impacts. It is unacceptable that there is no proposed mitigation to reduce operational impacts.

Sound, noise & vibration

Section 5.16 identifies “*noise barriers*” as a means of avoiding or reducing significant airborne noise effects. It is proposed on viaducts, where further noise mitigation (in addition to the standard parapet wall) that the parapet wall be extended to a total height of 2m, 3m or 4m above rail level in certain locations. The proposed route passes close to residential receptors at Church Fenton on a viaduct (the finished height of the viaduct is yet to be decided but it is likely that the structure will be significant). It is anticipated therefore that a noise barrier as described in section 5.16.4 will be necessary. It should be clearly noted that whilst the barrier may provide effective mitigation against

noise it may be totally unacceptable in terms of alternative impacts such as visual amenity or from a landscape perspective.

Section 8.13 deals with Sound, Noise and Vibration and considers the likely significant effects arising from the construction and operation of the Proposed Scheme on residential and non-residential receptors. The potential impacts from noise and / or vibration on animals, the historic environment and tranquillity are beyond the scope of section 8.13. Section 8.13.4 refers to HS2 Ltd's engagement with Environmental Health Practitioners, this engagement is welcomed but it should be noted that it is ongoing, at the time of writing this consultation response the Council have not had the opportunity to discuss in detail the section of railway in Selby District in terms noise and vibration which is unacceptable.

Selby District Council are aware that baseline surveys referred to in section 8.13 are currently being undertaken, but are not aware whether or not any such surveys have taken place in the District. The assessment method does not specify noise limits in absolute terms and instead proposes to ensure that the current Government noise policy and guidance will be met. This approach is welcomed, particularly since the proposed route as it passes through Selby District is rural in nature and as such is likely to enjoy a relatively tranquil soundscape. However section 8.13.13 appears to contradict this approach as reference is made to "*effect thresholds for the onset of both 'adverse' and 'significant adverse' effects on health and quality of life have been defined for noise and vibration, as described in the EIA SMR*". Clarification is required as to whether the assessment of the magnitude of the impact is to be made in absolute or relative terms.

Section 8.13.14 states that adverse effects on health and quality of life on a larger community group may also be identified as significant on a community basis. This seems to imply that the assessment of the magnitude of significance is influenced by the number of receptors affected. This approach is questioned in so far as a significant adverse impact is equally significant to a receptor regardless of how many receptors are affected. Whilst the need for balance is accepted, this does not diminish the impact on the single receptor.

Section 8.13.30 scopes out facilities that permit short term occupation such as campsites and caravan sites. Selby District Council are not aware of any such facilities close to the proposed route in the Selby District, but, should such a facility exist it is more than likely to be valued for the peace and tranquillity that a rural setting affords. It is questioned whether this type of facility should in fact be considered, as failure to adequately protect such a facility could undermine its viability.

Section 9.13 on Sound, noise and vibration reiterates a commitment to the broad policy objectives contained within the NPSE.

Section 9.13.14 introduces target values defined by the World Health Organisation (WHO), section 18 of the Environmental Impact Assessment Scope and Methodology Report and goes on to specify various levels. Given that the proposed route of the railway passes through a predominantly rural area it is recommended that predicted noise levels are considered against baseline noise data, particularly where baseline noise levels are low. Failure to consider this may lead to a significant impact due to the magnitude of change in noise level regardless of whether the absolute threshold level is exceeded or not.

Section 9.13.12 states HS2 Ltd's commitment to provide noise insulation works as required by the Noise Insulation (Railways and Other Guided Transport Systems) Regulations 1996 where a significant adverse impact is predicted. Insulation measures such as upgraded or secondary glazing

will not address significant impacts in garden areas, balconies or outdoor spaces. It is therefore recommended that consideration is given to mitigating adverse impacts in these areas.

Section 13.1.3 does not mention engagement with Selby District Council with respect to the sound, noise and vibration. It is assumed this omission is an error. It is crucial that Selby District Council is engaged in all matters affecting the district.

Section 13.5.12 appears to define at what noise level HS2 considers that significant impacts during operation begin. The levels set are 40dBLAeq_(8hr) night time and 50dBLAeq_(8hr) day time. Selby District Council would broadly agree that these levels are appropriate but would recommend that where baseline noise levels reveal low background noise levels that the magnitude of change is taken into account. It is noted that no account has been taken of the impact from individual short duration noise events and would recommend therefore that noise levels in terms of LA_{max} are seriously considered particularly at night time.

Section 13 deals with Noise and Vibration impacts general provisions, measures to reduce potential noise and vibration impacts and monitoring. This section is written in general terms, and it is expected that site specific management plans are developed and agreed to ensure that the general principles contained within the CoCP are achieved.

Section 13.2.5 states that the nominated undertaker will seek to obtain consents under section 61 of the Control of Pollution Act 1974. This approach to control the impacts on Noise and Vibration appears to be not in the spirit of the CoCP as it is reliant on consent being granted by a number of Local Authorities. Following this approach could lead to Local Authorities having to deal with complaints from local residents which may ultimately lead to enforcement action being required. It is questioned whether this approach is in the spirit of the Hybrid Bill process as HS2 Limited would in effect be seeking Parliamentary Consent in terms of primary legislation that is dependent on consent being obtained from a number of Local Authorities.

Q2: Do you have any suggestions about additional information or assessments that should be included in the Environmental Statement?

General Comments

In terms of the site compounds proposed within the district, further information is required regarding their size, what materials they will be used for and access arrangements during the construction period. This should be set out comprehensively in the Code of Construction Practice, along with guidelines for monitoring. It is critically important that measures are set out to ensure that these sites are satisfactorily reinstated following the construction period.

Archaeology

It is advised that commercial aerial photography from summer 2018 is included in this assessment as the very dry weather provided excellent conditions for the detection of archaeological cropmarks. Many of these commercial flights are only just becoming available e.g. on Google Earth and it is recommended that the aerial photographic analysis is updated to include such sources.

Ecology

It is recommended that full up to date baseline data is provided along with the results of habitat and species surveys undertaken to industry standards – these must cover all areas of the proposed scheme including temporary and permanent areas (including operational areas and construction compounds / storage areas) and any sites of compensation.

A detailed Ecological Impact Assessment (EclA) will need to be undertaken within the Environmental Statement backed by the above habitat and species data – this should be undertaken in accordance with the most recent CIEEM guidelines for EclA ensuring that all direct, indirect , temporary and permanent effects are assessed. Once impacts have been identified then the mitigation hierarchy should be applied – with impacts avoided where ever possible. This is particularly important for ecological features lost as a result of temporary works – an example of this relates to Haigh’s Grassland SINC which falls within an area identified as a temporary material stockpile and for construction. Such a loss is unnecessary and could be avoided by re-siting of the stockpile. HS2 should make it a priority to avoid impacts wherever possible.

Where mitigation or compensation areas are proposed to offset unavoidable impacts these should include habitats and ecological features relevant to the impacts and the surrounding area. These areas should be of sufficient size to ensure they can be managed sustainably in the long term and there should be a focus on connectivity with existing areas of semi natural habitat. Opportunities should be sought to use flood compensation areas to provide habitat mitigation or compensation – particularly where they are in close proximity to existing ecological features such as SSSIs, SINCS and ancient woodlands.

Monitoring proposals must be included to demonstrate the success of mitigation and compensation areas. Also where there may be any uncertainty around impacts upon ecological receptors monitoring should be used before, during and after construction works to provide evidence of effects, where negative effects are recorded compensation measures must be implemented.

Landscape

The landscape and visual effects within the WDES have been assessed without field survey being undertaken and the assessment is based on assumptions made about landscape and visual effects both for sensitivity and magnitude. It is therefore recommended that a full field survey is undertaken to inform the assessment and mitigation in the Final ES. The significance of effects reported in the WDES can therefore only be considered uninformed and provisional.

Construction and operational phase Zones of Theoretical Visibility (ZTV) are not provided or explained within the assessment. It is recommended that detailed ZTVs are produced to inform the assessment and mitigation in the Final ES. These should be refined through field survey to take account of notable surface features such as woodland, buildings and hedgerows.

There are some significant viaducts, embankments and cuttings within Phase 2b. It is recommended that the design of these structures is sufficiently detailed to a stage where they can be taken into account within the Final ES, particularly relating to scale, height and appearance.

Whilst mitigation is illustrated in the WDES, it seems to follow a linear and non-descript format rather than achieving the wider design. The landscape design principles and benefits set out in the supporting HS2 document ‘Landscape Design Approach’ should be encouraged and provided within the Final ES.

Q3: Do you have any other comments?

Archaeology

The WDES indicates that the proposed route will cause electromagnetic interference. This will in effect neutralise a corridor on either side of the line from future archaeological research in the form of geomagnetic survey. It is recommended that the zone of interference is subject to geomagnetic survey prior to construction either as part of the assessment process or final mitigation.

In considering mitigation, it is noted that the HS2 Generic Written Scheme of Investigation: Historic Environment Research and Delivery Strategy (GWSI: HERDS) states the need to “deliver clear benefits for communities along the route, stakeholders and the wider public. All works therefore have to be grounded in the need to deliver public benefit, in a cost effective manner and within the confines of a construction programme. Delivering maximum knowledge and clear public benefit from a defined budget and within a defined timeframe is a central tenet of the Employer’s approach to the investigation of the historic environment along the route”. With this in mind, the importance of community engagement is stressed as an important element of any planned archaeological mitigation. HS2 will deliver a significant contribution to archaeological knowledge in the Selby District. By working closely with community groups, schools and other community-based organisations HS2 can provide valuable opportunities for the public to engage with and learn about the historic environment in both their local area and the wider District.

Ecology

Habitat creation and establishment must be undertaken by specialists to ensure that the habitats and ecological features proposed within the plans are able to be achieved. Monitoring will be important at these early stages to determine if the target habitat is being achieved and to introduce additional measures where necessary.

In order to provide the necessary mitigation, compensation or enhancement function any sites provided will need to be managed in the long term. Ideally this should be an organisation with the relevant skills and experience in managing nature conservation site. HS2 will need to be mindful of the requirements of these long term managers in designing the compensation sites in terms of habitat composition, size, access and funding. Organisations such as Wildlife Trusts or local conservation organisations will not be in a position to manage lots of small, isolated sites.

In order to assist with the long term sustainability of ecological mitigation and compensation sites it would be useful for HS2 to consider some of the sites in conjunction with community resources and green infrastructure. These resources could include community orchards, allotments and accessible woodlands. Provided that ecological management plans are secured for these sites they can provide both community and biodiversity benefits.

Landscape

There are likely to be significant adverse landscape and visual effects during the construction phases, although this should be minimised wherever possible. Mitigation is recommended given the duration of the construction period and the high landscape and visual sensitivity.

It is recommended that landscape proposals and mitigation should follow a clear strategy in response to local landscape character and setting. A wider green infrastructure approach would be

welcome; to conserve and enhance local landscape character; to provide opportunities for enhancing health and wellbeing in publically accessible areas; and to positively integrate earthworks and structures.

The success of the landscape design can only be achieved through long term maintenance and management. HS2 should consider the organisational agencies needed to manage offsite landscape mitigation and how public access might be secured and managed.

Advanced landscape mitigation, planting and community offsetting projects are recommended because they are likely to provide significant benefit in reducing adverse effects, both during the construction and operational phases.



Report Reference Number: E/18/38

To: Executive
Date: 10 January 2019
Status: Key Decision
Ward(s) Affected: All
Author: Julian Rudd, Head of Economic Development and Regeneration
Lead Executive Member: Cllr Chris Metcalfe, Executive Lead Member for Communities and Economic Development
Lead Officer: Dave Caulfield, Director of Economic Regeneration and Place

Title: Selby District Economic Development Framework 2017-2022 - Year One Review & Delivery Plan 2019 and 2020

Summary:

This report provides the further information requested by the Executive on 8 November 2018 in relation to the proposed Economic Development Framework (EDF) Delivery Plan 2019 and 2020 and the associated progress review and budgetary transfers. This information comprises of:

- feedback from Members of Council and external partners and stakeholders regarding the proposed EDF Delivery Plan
- details of the business case for recruitment and staffing measures
- proposed key performance indicators to monitor progress of the Delivery Plan and Framework.

The report also provides an update regarding opportunities and challenges that have become clearer since the priorities for 2019 and 2020 were last considered in early November 2018. An updated Delivery Plan is attached to this report that takes account of these changed circumstances and the feedback received regarding the draft priorities.

Recommendations:

1. Agree the EDF Delivery Plan for 2019 and 2020 (Appendix A) and the priority order set out at paragraph 2.6 of this report.
2. Agree the movements between budget headings in the existing Programme for Growth (P4G) budget to resource delivery of the EDF Delivery Plan (Appendix B)
3. Agree the performance indicators to monitor progress (Appendix C)

4. Agree that details of the Year One Review and Delivery Plan be shared with partners

Reasons for recommendation

To continue to deliver the EDF and the Corporate Plan following significant progress through Programme for Growth investment in this work area.

1. Introduction and background

- 1.1 The Executive on 8 November 2018 considered a report and appendices that examined progress made thus far in implementing the Council's Economic Development Framework for 2017 to 2022. A 2-year Delivery Plan was proposed, together with movements within the existing Programme for Growth budgets to maintain delivery and resource activities over the next 2 years.
- 1.2 The Executive stated they supported the work being done and wished for the report to be shared with all councillors and stakeholders. However it was felt that there should be more detail available on the business case for the allocation of funding to staff resources as outlined in the report. Additionally, the Executive felt that more information on key performance indicators to monitor progress of the action plan and framework should be included.
- 1.3 The Executive therefore agreed that the report should be brought back before the Executive for final approval once progress on the Framework and the Delivery Plan had been shared with all councillors and stakeholders. It was resolved:
 - i) To note the excellent progress made in delivering the priorities in the Selby District Economic Development Framework 2017-2022 so far.
 - ii) To welcome and support the EDF Delivery Plan for 2019 and 2020 and ask that it be shared with all Members of Council and external partners and stakeholders before being brought back to the next meeting of the Executive for final approval in the light of any feedback.
 - iii) To add further detail to the business case for the recruitment of posts outlined in the report.
 - iv) To provide further information on key performance indicators to monitor progress of the action plan and framework.
- 1.4 In the short time since the 8 November 2018 Executive, several significant opportunities and challenges have arisen or been clarified that influence the Council's priorities and the business case for staff resources. These changed circumstances and the feedback received regarding the draft priorities have led to an updated Delivery Plan that is attached to this report at Appendix A.

2. Report

Feedback from Members and External Partners

- 2.1 In order to share details of progress made during the first year of the EDF and to outline proposed priorities for 2019 and 2020, a briefing for all members was held on 26 November 2018 at the Civic Centre. A copy of the presentation was subsequently sent to all members. All members have also been sent a copy of the proposed Delivery Plan for 2019 and 2020, with a request for views about the suggested priorities. At the time of writing this report there have been 2 responses received from members.
- 2.2 To involve external stakeholders and partners, the review of the EDF and the proposed priorities were also presented at the first meeting of the Selby District Economic Partnership Forum at Kingspan, Sherburn, on 8 November 2018. The proposed Delivery Plan was also sent to all attendees, which included major local businesses, the York North Yorkshire & East Riding (YNYER) LEP, Transport for the North and North Yorkshire County Council (NYCC), with views requested. There have been 6 responses received.
- 2.3 The views received can be summarised as:

Stakeholders:

- All but one respondent supported the proposed economic priorities
- Additional priorities suggested included:
 - promoting Selby for its easy access to commute by train to major nearby centres
 - Support the upgrade of Sherburn train station and increase services to coincide with shift patterns of the workers
 - Assess the exiting size / capacity / employment numbers / commuting habits in Sherburn to assist in providing support services such as buses, power, future demand etc.
 - Support lorry parking facilities to serve the wider Sherburn area
 - Availability of skilled labour and attracting these workers to Selby District
 - Provision of additional (affordable) homes
 - Targeting the right kind of investment on strategic sites, which should be less focussed on distribution
- The priorities should be ranked
- We should explain what 'early stage work on future major sites' means
- Performance should be reported on housing and employment land delivery
- 'Make great places' should be undertaken by a separate group focussed on the built environment
- One response challenged the proposed priorities and the approach being taken. Specifically:
 - The local plan should set priorities and not a separate economic development framework that goes through a different process

and which prioritises in a different way and which is not transparent in the same way as the local plan process is.

- The priorities identified are not aligned with the local plan and are therefore not supported.
- Many of the recent industrial units are warehouses and distribution units which take up more land and provide less jobs
- Most of the priority work areas are the role of the local plan or other organisations e.g. developers or rail providers or colleges and schools.
- There should be more focus on start-up businesses

Members:

- Sherburn needs extra facilities to support the employment growth e.g. a lorry park, a crèche / nursery. Companies should be encouraged to stagger shift patterns and we need to bring forward the improvements to the JP Plant roundabout. More trains now stopping at Sherburn station means a loan bike scheme or small mini bus service is needed.
- Selby Station improvements should include the surrounding road system and consider an underpass
- A one way system around Selby should be introduced to then pedestrianise Gowthorpe from the Abbey to the Town Hall
- M62 Corridor — Long Drax offers a potential site
- Consider buying the former civic centre and police station at Selby to redevelop the whole area to include a hotel
- There should be a stronger focus on Sherburn

Opportunities and Challenges - update

- 2.4 There have been several recent changes that impact upon this Council's activities and the resources needed to take advantage of these:

Future High Streets Fund

The government has announced the launch of a new Future High Streets Fund to invest £675m to support local areas and fund plans to make their high streets and town centres fit for the future. The fund will support councils in drawing up formal plans for the transformation of their high streets and can be used to help invest in improvements needed, support the redevelopment of empty or under-used retail and office space into flats, and develop strategies to “deliver much-needed footfall to high street businesses”. A new High Streets Taskforce will provide expertise and hands-on support to local areas and it will also then co-fund with local areas projects.

A full prospectus for the Fund, detailing the objectives, the nature of projects that are eligible for funding, and assessment criteria, is expected immanently. However, proposals are likely to be required in the first half of 2019 and therefore impact upon the work priorities of both the Economy and Regeneration and the Community Partnerships teams. The ongoing delivery of projects and management of this work will form a significant work stream for both teams of the next few years, particularly as some of the funding is to

be allocated to Historic England to work with local authorities on historic town centres.

Accelerated Construction

In early 2017 the Council applied for funding from the Homes and Communities Agency's (now Homes England) Accelerated Construction programme to support the development of new homes on Council-owned land at Portholme Road and Bondgate in Selby. On the 29th November 2018 the Council received offers of grant funding of £2,551,000 to support the development of the Bondgate site and £1,012,706 to support the development of Portholme Road. The next step will be to enter into funding agreements with Homes England and identify a clear programme for procuring the delivery of the schemes.

The Homes England funding has to be spent by March 2021 and Homes England is encouraging the use of Modern Methods of Construction and engagement with low and medium volume housebuilders as part of the Programme. Management and delivery of these complex sites, particularly Bondgate, and the associated funding agreements will be significant task for the regeneration staff.

Transforming Cities Fund

Members are aware that the improvement of Selby Station as a gateway was included within the Transforming Cities Fund (TCF) bid for the Leeds City Region (LCR). Between £150m and £200m is expected to be awarded to LCR.

There are 2 bidding rounds for the TCF, with the first in early January 2019 for smaller projects and the second in June 2019 for the main bids. Unfortunately, after initially submitting 4 smaller projects (with a combined value of £1.8m) for Selby Station during work on the Tranche 1 LCR bid, all 4 had to be withdrawn as they were not sufficiently developed and so could not meet the Department for Transport's (DfT) assessment process.

This means that extensive work is required to submit a strong comprehensive main bid proposal for June 2019. This will require robust business cases for the package of projects proposed to improve access to and use of Selby Station. There will then be a substantial task in delivering the projects over the next three years, involving landowners and needing consultation and a variety of permissions.

Local Cycling and Walking Infrastructure Plans (LCWIP's)

LCWIPs, as set out in the Government's Cycling and Walking Investment Strategy, are a new, strategic approach to identifying cycling and walking improvements required at the local level. They enable a long-term approach to developing local cycling and walking networks, ideally over a 10 year period, and form a vital part of the Government's strategy to increase the number of trips made on foot or by cycle. They identify a network plan for walking and cycling which identifies preferred routes and core zones for

further development and a prioritised programme of infrastructure improvements for future investment.

Work is about to begin on the LCWIP for the 3 towns in the District, in partnership with NYCC. Utilising consultancy support funded by the existing P4G budget, officers will be closely involved in the development of this work and the subsequent business cases, funding bids and then the implementation of the proposals over forthcoming years.

M62 Strategic Development Zone Study

This Study was highlighted in the earlier draft Delivery Plan, however the District Council is now leading this work with adjoining local authorities and this will involve major businesses and key agencies. The Study will take place over the first half of 2019 before the identified sites and measures are then taken forward to delivery over following years.

Selby District Infrastructure Plan (including a Sherburn Area Action Plan)

Also included within the earlier draft Delivery Plan, production of a Selby District Infrastructure Plan has recently been accelerated by the Better Together Board, which is seeking production of this joint work with NYCC in early 2019. Furthermore, the urgent need to address infrastructure and transport shortfalls in and around Sherburn has been highlighted during consultation on the Council's proposed economic priorities and during consideration of recent planning proposals. Advancing an action plan and then implementing the identified improvements with partners will require substantial officer time, working closely with North Yorkshire County Council.

One Public Estate

The Council participated in the recent submission to Round 7 of One Public Estate by the North Yorkshire Authorities Property Partnership. The proposal highlighted redevelopment of publicly-owned sites in Selby and elsewhere for housing and linked regeneration opportunities. Even if the recent funding bid is unsuccessful it is expected that work to progress this and other redevelopment opportunities in the area around Selby Station will require input from the regeneration team.

Priorities for 2019 and 2020 - update

- 2.5 Given the updated opportunities above and the feedback from members and stakeholders, the proposed Delivery Plan at Appendix A has been amended to:
- Give greater priority to delivering Sherburn infrastructure improvements and progressing a Selby District Growth and Infrastructure Delivery Plan
 - Recognise the scale of work required for business cases and subsequent delivery of improvements around Selby Station
 - Recognise the scale of work required for business cases and delivery of improvements around Selby and other town centres
 - Deliver redevelopment of Bondgate and Portholme Road by 2021 in accordance with the funding agreements with Homes England

- Take account of the Council's lead role in producing and implementing the M62 SDZ Study
- Recognise the input required to develop the LCWIP and implement the identified cycling and walking infrastructure improvements
- Add further detail on timescales

2.6 The 10 priorities identified in the EDF Delivery Plan for 2019 and 2020 (see Appendix C) should be seen as a package of projects to be delivered together. However, to reflect the comments received from members and stakeholders, it is suggested that the priority order of focus should be as follows:

- Selby District Growth & Infrastructure Plan – including a Sherburn Infrastructure Plan.
- M62 Strategic Development Zone/Energy Corridor.
- Housing Development Programme delivery.
- Deliver Strategic sites – Olympia Park; Kellingley; Gacoigne Wood; Church Fenton; Sherburn 2.
- Make Great Places – Tour de Yorkshire; Selby 950; events/culture/community.
- Selby Station and Town Centres - railway station master plan; Transforming Cities Fund and Future High Streets Fund bids.
- Support growth of SME's and large employees.
- Support skills and training initiatives.
- Attract businesses to strategic sites.
- Early stage work on future major sites.

2.7 Subject to agreement of the staffing resources set out below it should be possible to work on and deliver these multiple priorities in parallel. However it would be useful to agree the order of priority to allow us focus on the top priorities should any future staff capacity or funding issues arise.

Proposed Staffing Measures

2.8 To implement the actions in the Delivery Plan for 2019 and 2020 and continue to progress the Council's EDF 2017 – 2022, appropriate staff resources are required. The Council's Economic Development team (4 posts) and Housing and Regeneration team (4 posts) were appointed on 3-year fixed term contracts using funding within the Council's approved P4G budget. Two posts are currently vacant and most staff now have less than 18 months remaining on their contracts, with some ending in March 2020.

2.9 The Council is one year on from the launch of the EDF and has made substantial progress but there is much still to do in the 3 years to 2022. To achieve this, a small and stable core Economic Development and Regeneration service is necessary. To provide the required staffing resources the following four measures are proposed, to be funded through virements

between budget headings (see Appendix B for details) in the existing P4G budget:

Action	Amount £000's	Justification
Extension of contracts for 6 existing posts in the Economic Development & Regeneration team to March 2021 (2 years and 3 months from January 2019).	153	The EDF runs from 2017 to 2022 (so has 3 years still to run) yet the core staff in the team have contracts with less than 18 months to run and some finishing by March 2020. Retention of staff is one of the highest risk areas in delivering the EDF. The team has lost officers for permanent positions elsewhere. Those posts have been empty for several months having a significant impact on the capacity of the team to deliver the EDF priorities. There have also been approaches to other team members from potential employers. The enhanced job security provided by adding length to fixed term contracts is a means of mitigating this risk. This will ensure we have a small core team in place to deliver the 2017-22 EDF and the two year Action Plan set out in this report.
Recruit to the vacant Housing & Regeneration Manager post on a 3 year fixed term contract.	64	We have unsuccessfully tried to recruit to this key managerial post in the team and a key barrier was that there was less than 18 months left on the contract. This has had a significant impact on the team's ability to deliver the agreed priorities in the EDF. Advertising as a 3 year contract will aid recruitment in a competitive market. Recent experience has shown an inability to satisfactorily recruit to vacant posts in the team where there is little time remaining on the contract, with no applications for one advertised post and no sufficiently experienced applicants for another. Recruiting to this post will help provide capacity to deliver the EDF which covers the years 2017 to 2022 and beyond.
Redefinition of the two existing Development Officer posts to Senior Development Officer roles and extend to 3 year contracts from January 2019.	Up to 148	As the Council's involvement in economic development and regeneration has broadened, the level of input and responsibility needed from certain posts has expanded significantly beyond that originally envisaged. Examples are: delivery of major multi-million pound funding bids and projects such as Portholme Rd and the £6-8m Transforming Cities Fund bid for Selby Station; work at a senior level to influence

		strategic transport and infrastructure agendas at City Region and Northern levels; lead role across a number of Local Authorities to deliver the M62/Energy Corridor Strategic Development Zone. This proposed redefinition of the job descriptions and duties of two existing posts reflects the more complex and high profile work required to deliver the EDF and Delivery Plan. The revised job descriptions will be subject to job evaluation.
Appoint a new project officer post on a 3 year contract from January 2019 - working across the economy and regeneration teams	131	<p>The Delivery Plan for 2019 and 2020 identifies 10 priority work areas. These have been updated to reflect changes in national policy and local circumstances since Executive considered the Plan in November 2018. The work streams have been mapped onto existing posts, including the greater responsibilities proposed for two of these posts as set out above. The outcome is that the following priority work areas cannot be fully delivered within the existing capacity of the team, hence a new project delivery officer role being proposed to address this:</p> <ul style="list-style-type: none"> • Lead delivery on the Selby Station and Town Centre projects, including the LCWIP. Prepare and oversee business cases for funding and then implement projects within TCF bid for Selby Station, One Public Estate, Future High Streets Fund, Local Growth Fund (LGF) and partnership projects with NYCC and rail providers. • Lead on Sherburn Infrastructure Plan and subsequent implementation and delivery of identified measures in partnership with NYCC and other partners • Lead on preparing and implementing the Selby District Infrastructure Plan, including subsequent funding bids and delivery. • Lead work with consultants to analyse and build the case for future major sites, including measures to provide the required infrastructure.
TOTAL OVER 3 YEARS	496	

- 2.10 The overall cost of this package of measures (extending 6 existing posts to 2021, appointing to the vacant posts on 3 year contracts, plus one new post), is £166k per annum (£496K in total over the three years of the contracts). These costs can be accommodated within existing Programme for Growth budgets by moving funding within the existing P4G budget, as set out in Appendix B, to create a P4G resources fund of £643K. Consequently, over £140K would remain in the P4G resources fund for future allocation to other priorities such as strategic asset management and housing delivery.

Measuring Progress

- 2.11 The Executive requested key performance indicators to monitor progress of the Delivery Plan and Framework and work to develop these is attached at Appendix C. This will continue to be populated and refined, with comments added about progress when performance is reported back to members at regular intervals.

3. Alternative Options Considered

- 3.1 The priority work areas identified in the table above and the Delivery Plan at Appendix A reflect current opportunities and challenges, whilst continuing to deliver the key elements of the EDF. The identified actions take account of the priorities and activities of partners and feedback from members and stakeholders. The proposed delivery is only possible with the staffing proposals that need to be funded through the budget transfers that are set out in Appendix B.
- 3.2 Should the budgetary changes not be agreed or additional work areas added to the Delivery Plan, the Plan would either not be fully deliverable or only fully deliverable with external funding identified. Without the staffing proposals, delivery of the EDF is at risk.

4. Implications

4.1 Legal Implications

None.

4.2 Financial Implications

The proposals involve the re-allocation of funding between budget headings in the existing P4G budget area. The proposals do not require any additional spending beyond currently agreed budgets.

4.3 Policy and Risk Implications

The proposed actions are to deliver existing policy as set out in the Corporate Plan and EDF 2017-22.

4.4 Corporate Plan Implications

The actions are in line with and will help deliver the Corporate Plan update of May 2018.

4.5 Resource Implications

The proposed Delivery Plan for 2019 and 2020 requires funding to maintain and extend the staffing resource at the Council. This can be funded by moving money from existing allocations in the agreed P4G budget to a P4G resources pot. The cost of the required staffing measures is circa £166k per year (£496 over 3 years). The amount within the existing P4G budget that is available for transfer to a P4G resources pot is £643K. This means that £147K will remain in the P4G resources fund to address other resource issues, such as strategic asset management and housing delivery, subject to Member approval.

4.6 Other Implications

No known impacts.

4.7 Equalities Impact Assessment

No known impacts.

5. Conclusion

5.1 This review clearly shows that much has been achieved in a short time, with significant momentum and raised expectations and confidence. A substantial number of new jobs and amount of additional employment space and investment will be delivered over the next 10-15 years from the foundations being laid by this EDF 2017-2022 and beyond. The Council and the area will benefit in terms of additional income (such as additional business rates, New Homes Bonus and Council Tax) and the strong economic position of Selby District will be strengthened to the benefit of investors, businesses and residents (e.g wider training and employment opportunities including access to skilled jobs). Much has been achieved to lay these solid foundations after only one year of a five year programme.

5.2 Selby District has the benefit of former airfield and coal sites and other brownfield opportunities that form the basis of the 5 strategic sites that are being progressed towards planning, with a proactive role being taken by the Council to deliver these complex opportunities. Once that is achieved there is a significant role for the Authority to ensure that the sites are developed in such a way, with appropriate occupiers, to ensure the resulting jobs provide opportunities for the existing and future workforce of the District to benefit from high quality local jobs that support our communities and economy. Similarly, the Council needs to be active in ensuring that local students are equipped with the right skills to access the roles that will become available as the sites are built out over the next 10 years plus.

- 5.3 The review details progress and next steps, with a 2 year delivery plan to clarify priority work streams, the required resources and the expected outputs.
- 5.4 Regeneration and economic development is a long term commitment and there is a need to consolidate the team using existing budgets to continue delivery of the EDF and the resulting major growth in jobs, homes and business rates. The next stage of implementing the EDF provides opportunities for improving the places and infrastructure of our towns and town centres to help them reach their full potential in accordance with our Corporate Plan. It will also focus on taking advantage of strategic opportunities such as the M62 corridor and Selby Station and town centre; however, this will only be possible with a strengthened team. Indeed, the work load has continued to expand and the Delivery Plan for 2019 and 2020 has been amended to reflect that and take account of feedback received regarding the proposed priority work areas.
- 5.5 Executive is asked to agree the Delivery Plan and the associated movements between budget headings within the existing P4G programme. In addition, details of the progress achieved and the content of the agreed Delivery Plan will be shared via an updated EDF brochure and related communication activities.

6. **Background Documents**

Selby Corporate Plan 2018 Update

<https://www.selby.gov.uk/sites/default/files/Documents/Corporate%20Plan%20refresh%20v.updated%2012.06.pdf>

Selby District Economic Development Framework 2017-22

<https://www.selby.gov.uk/sites/default/files/Documents/SMG%20event%20brochure%20v.lo-res.pdf>

7. **Appendices**

Appendix A – EDF Delivery Plan for 2019 and 2020

Appendix B – Proposed Movements within existing P4G Budget

Appendix C – Measuring Progress in Delivering the EDF

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APPENDIX A – EDF DELIVERY PLAN 2019 AND 2020

PRIORITY WORK STREAMS	KEY OUTPUTS	WHO	RESOURCE IMPLICATIONS	TIMESCALE
<p>Selby Station and Town Centre masterplan / regeneration zone / town centre links / heritage / cycling and walking improvements / enhanced public spaces and station facilities / town centre health</p>	<ul style="list-style-type: none"> • Consult on station masterplan and finalise • Work up detailed design and business case for individual projects to submit for the Transforming Cities Fund (TCF) and Future High Streets Fund, plus projects in partnership with Trans Pennine Express, North Yorkshire County Council (NYCC) and Network Rail. Consult on these projects. • Establish steering group/s for the project and involve external partners, including Homes England, the Local Enterprise Partnerships (LEPs) and Historic England, to determine priorities and delivery plans. • Undertake Local Cycling & Walking Infrastructure Plans (LCWIP's) and identify priority projects. Prepare business cases and submit funding bids. 	<p>Housing and Regeneration / Community Partnerships / Economic Development / Planning Teams and external partners – NYCC/Rail/Homes England/Historic England/LEPs.</p>	<p>Requires an additional project officer working across Economic Development and Housing and Regeneration Teams. This would be funded by the movements within the existing Programme for Growth (P4G) budget that are detailed at Appendix C.</p>	<p>Agree projects and work up business cases and vision during 2019. Deliver funded projects during 2020 – 2022 and beyond.</p>

	<ul style="list-style-type: none"> • Potentially appoint commercial partner for delivery. • Redevelopment of public and privately owned sites as part of wider regeneration scheme to be agreed for the Station and Town Centre. Secure funding through One Public Estate to progress the publicly owned sites. • Deliver housing redevelopment of Bondgate and Portholme Rd sites, in accordance with Homes England's Accelerated Construction funding award. 			
M62 Strategic Development Zone / Energy Corridor	<p>Agreed M62 Strategic Development Zone Plan.</p> <p>Identified future sites and infrastructure improvements.</p> <p>Funding bids for infrastructure improvements.</p> <p>Delivery of infrastructure improvements.</p> <p>Sites advanced for analysis through planning process.</p>	Economic Development – plus NYCC, LEP and adjoining local authorities.	Staffing and resources are in place in the Economic Development Team and existing P4G budgets .	Complete Study by summer 2019. Lobby for, build business case and submit funding bids for infrastructure improvements - 1919/20 Progress sites through preparatory work for the next local plan - 1919/20 onwards.

<p>Selby District Growth & Infrastructure Plan – with a Sherburn Action Plan and Steering Group</p>	<p>Selby District Growth and Infrastructure Plan agreed. Projects progressed through funding bids to delivery. Sherburn Infrastructure Action Plan – Steering Group established to included business and transport providers - projects identified and delivery overseen by a Steering Group.</p>	<p>Economic Development / Housing and Regeneration plus NYCC, rail industry, Arriva, local businesses, community.</p>	<p>To be led by the new shared additional project officer post (see above). This would be funded by the movements within the existing P4G budget that are detailed at Appendix C.</p>	<p>Form Steering Group and complete Sherburn Infrastructure Plan by Q3 2019. Complete Selby District Growth and Infrastructure Plan by Q1 2020. Build business cases and submit funding bids for projects - 2020/21. Deliver projects - 2020-22</p>
<p>Attract businesses to strategic sites</p>	<p>Activity with developers to attract high value employers and jobs that match the priority sectors in our EDF and promote opportunities to investors. Joint promotion at events & via appropriate media.</p>	<p>Economic Development plus developers, LEPs, Department for International Trade</p>	<p>Staffing and resources are in place in the Economic Development Team and existing P4G budgets.</p>	<p>Sherburn2 ready for marketing now but other strategic sites will reach that stage during 2019 – this will be an ongoing activity to 2023 and beyond</p>
<p>Early stage work on future major sites</p>	<p>Feasibility Studies for potential sites, including all key development issues e.g. transport and infrastructure, archaeology and ecology, strategic case etc</p>	<p>Housing & Regeneration / Economic Development / Planning / NYCC</p>	<p>To be led by the new shared project officer post (see above). This would be funded by the movements within the existing P4G budget that are detailed at Appendix C</p>	<p>Feasibility work from Q3 of 2019 through to Q2 of 2021 Build business case for infrastructure improvements and seek funding 21/22</p>

Support growth of SMEs & large employers	KAM, direct support for small and medium sized enterprises (SMEs)	Economic Development team and Planning / LEPS.	Staffing and resources are in place in the Economic Development Team and existing P4G budgets.	Ongoing to 2023 and beyond.
Housing Development Programme (HDP)	Deliver Phases 2 and 3 of the HDP.	Housing and Regeneration team	Staffing and resources are in place in the Housing and Regeneration Team and existing P4G budgets.	Ongoing to 2022. Also review future development programme to identify further opportunities - 2020 onwards..
Deliver Strategic Sites Olympia Park- Gascoigne-Kellingley- Sherburn2-Church Fenton	Master plan and planning agreed for Olympia Park (OP). Start on site with infrastructure works at OP. Planning agreed for Gascoigne and Church Fenton. Masterplan for Church Fenton. Potential investment in commercial property.	Economic Development Team – Planning – land owners and developers – NYCC.	Staffing and resources are in place in the Economic Development and Housing and Regeneration Teams and existing P4G budgets.	Planning focus during 2019. Build business cases, seek funding and deliver required infrastructure - 2020/21. Consider public investment – ongoing to 2023 and beyond.
Support Skills & Training Initiatives	Work with businesses, training providers, LEPS, agencies and schools to align local provision to match needs	Economic Development Team and external partners – LEPS, schools, training providers, businesses	Staffing and resources are in place in the Economic Development Team and existing P4G budgets	Ongoing.
Make great places Tour de Yorkshire (TdY), Selby 950,	Cycling events. Abbey 950 celebrations. Local Cycling and Walking Infrastructure	Community Partnerships Team + external partners	Staffing and resources are in place in the Community Partnerships Team and	Delivery during 2019 and then review future event priorities. Town centre

events, culture, community	Plans. Tadcaster Linear Park. Selby & Tadcaster town centre management.		existing P4G budgets	support and interventions will be a key work steam during 1919-21 and beyond.
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APPENDIX B - Proposed movements within agreed Programme for Growth				
Code	Project	Budget £K	Proposed amount to be transferred to P4G resources budget (£K)	Comments
SD0407 & SD0425	Growing Enterprise	111	35	Capacity available
SD0419	Towns Master planning (Regeneration)	150	30	Contribution to additional project delivery resource to assist delivery of town master planning and associated activities
SD0422	Strategic Sites Master planning	246	46	Additional project officer resource will assist delivery of this work e.g. Selby station master plan
SD0423	Access to Employment	100	60	Capacity available within budget
SD0424	Green Energy	50	50	Alternative delivery proposals mean the budget is not required.
SD0426	Church Fenton Studios	300	300	Capacity available in strategic sites master planning budget
SD0427	Business Space & Accommodation Review	17,	17	Funding needs accommodated within Commercial Property Fund
SF0413	Stepping Up' Housing Delivery	50	25	Proposed project officer role would help deliver this work
SF0415	Making our Assets work	230	50	Proposed project officer role would help deliver this work
SZ3054	New lane - Public Realm	230	30	Contribution to staff resource costs to implement this work
TOTAL TO TRANSFER TO P4G RESOURCES BUDGET			643	
TOTAL REQUIRED NOW TO FUND STAFFING PROPOSALS			c. 500	
TOTAL UNALLOCATED IN P4G RESOURCES BUDGET			c. 140	

APPENDIX C – MEASURING PROGRESS IN DELIVERING THE EDF

A GREAT PLACE FOR... ENTERPRISE AND BUSINESS GROWTH:

Success looks like:

Selby District Growth & Infrastructure Plan – with a Sherburn Action Plan and Steering Group; Attract businesses to strategic sites; Support growth of SMEs & large employers; Deliver Strategic Sites

KPIs	Target	Previous period *	Latest period*	Direction of travel
Number of jobs created (annual)	500+	400		
Output per FTE (£000s)	£50K	£46,220		
Median Gross Weekly Pay for F/T Workers (workplace based) (£s)	525	519.80	546.90	↑
Count of births for new enterprises		480	580	↑
Count of deaths for new enterprises		315	390	
Count of active enterprises		3,420	3,820	↑
Enterprise two year survival rate (%)		78.7	74	↓
Enterprise five year survival rate (%)		47.5	47.7	↑
Number of SMEs supported	50	49	53	↑
Total Output (GVA) £million		1,879	n/a	
Gross Value Added (balanced) per head by LA (£)		21,858	n/a	
Inputs/Outputs	Target	Previous period *	Latest period*	Direction of travel
No. of KAM engagements delivered in the last 12 months	100			
No. of SME's supported in the last 12 months	200	100	102 (YTD)	↑
No. of business practise and learning events delivered in last year	20			
No. of successful business referrals for loan & grant funding in last year	15			
No. of inward Investment interventions engaged with in the last 12 months	25			
Net value of inward investment due to SDC intervention in last 12 months (£m)	£10m			

*RAG against target where relevant

Headline actions	Target date	Progress*	Brief comments (by exception)
Master plan and planning agreed for Olympia Park	Sept 19		
Start on site with infrastructure works at OP	tbc		
Masterplan for Church Fenton	tbc		
Agree milestones with planning and developers for strategic sites	tbc		
Agree a strategy and shared actions with developers to attract high value employers and promote opportunities to investors to the strategic sites. Involve DIT, LEP's. Activities to be consistent with SDC focus on its priority sectors and in doing so there is the best balance of job opportunities with regard to numbers, quality and earnings potential	Nov 2019		
Selby District Growth and Infrastructure Plan agreed	Q1 2020		
Establish Steering Group to oversee delivery of Sherburn Infrastructure Action Plan	Feb 19		
Action Plan completed and work on funding bids begins	July 19		

*RAG against target date (on track – green; some delays – amber; significant delays – red)

A GREAT PLACE TO... LIVE AND WORK:

Success looks like:

Selby Station and Town Centre; Early stage work on future major sites; M62 Strategic Development Zone / Energy Corridor; Housing Development Programme; Make Great Places

KPIs	Target	Previous period *	Latest period*	Direction of travel
Total population of the district (000s)		86,900	87,900	↕
% working age population	63.5	62.03	61.66	↓
Number of new homes (net) per annum	450	562	524	↓
Number of affordable homes per annum	180	125	86	↓
Median House Price (£)		183,000	191,000	↑
Housing Affordability Ratio (residence based)		5.96	6.45	↓
Inputs/Outputs	Target	Previous period *	Latest period*	Direction of travel
No. of SDHT homes delivered in the last 12 months	30	n/a	0	—
No. of SDC/HRA homes delivered in the last 12 months	20	n/a	15	↑

*RAG against target where relevant

Headline actions	Target date	Progress*	Brief comments (by exception)
Identify the future major sites to be investigated for feasibility assessment and development of evidence base	Jun 19		
Deliver station masterplan, submit package of projects to TCF to secure funding - in partnership with Trans Pennine Express, NYCC and Network Rail. Consult on these projects. Gain necessary permissions and legal	Jun 19		
Consult on station masterplan and finalise	Feb 19		
Establish Town Centre Task Force to identify and deliver future projects. Redevelopment of public and privately owned sites as part of wider regeneration scheme to be agreed for the Station and Town Centre. Secure funding through One Public Estate to progress the publicly owned sites. Involve external partners, including Homes England, LEPs and Historic England, to determine priorities and delivery plans.	tbc		
Submit proposals to Future High Streets Fund and deliver in accordance with delivery plan (to be established)	tbc		
Develop and deliver a successful Selby 950 programme	tbc		
Secure funding from NYCC, LEP's, TfN, TPE, NPH and National Government for regen projects – target of £10m pa	Annual Dec 19		
Deliver a successful Tour de Yorkshire cycle race stage finish	May 19		
Deliver a successful UCI world championship race stage start			
Deliver phase 2 of the housing development programme	Q2 20		
Deliver phase 3 of the housing development programme	Q4 21		
Deliver housing redevelopment of Bondgate and Portholme Rd sites, in line with HE Accelerated Construction funding award.	March 21		
Produce Selby Local Cycling and Walking Infrastructure Plan			
Agree M62 Strategic Development Zone Plan, including identified future sites and infrastructure improvements	Jul 19		
Develop and submit funding bids for M62 corridor infrastructure improvements	March 2021		
Agree scheme for Tadcaster Linear Park and begin delivery	tbc		
Undertake LCWIP and identify priority projects.	July 2019		
Prepare business cases and submit funding bids.	Q2 2020		

*RAG against target date (on track – green; some delays – amber; significant delays – red)

A GREAT PLACE TO... ACHIEVE YOUR POTENTIAL

Success looks like:

Supporting Skills & Training Initiatives

KPIs	Target	Previous period *	Latest period*	Direction of travel
% of working age residents unemployed	3	4.3	3.7	↑
% of working age population with NVQ 4 and above	36	31.1	28	↓
% of working age population with trade apprenticeships	15	5.6		
Economic activity rate - aged 16-64 (%)		84.5	79	↓
% all in employment who are in elementary occupations		13.4	10.5	↓
Inputs/Outputs	Target	Previous period *	Latest period*	Direction of travel
Number of business referrals made to apprenticeship providers	25			
Number of skills focussed learning and recruitment events held	10			
Number of new apprentice candidates introductions to businesses	50			
Structured working practices with major training providers (number of recorded interventions pa)	10			

*RAG against target where relevant

Headline actions	Target date	Progress*	Brief comments (by exception)
Work with businesses, training providers, LEPS, agencies and schools to align local provision to match needs	On-going		
Hold skills-focussed session with Selby Economic Partnership Forum	Mar 19		

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Report Reference Number: E/18/39

To: Executive
Date: 10 January 2018
Status: Key Decision
Ward(s) Affected: All
Author: Kevin Ross, Accountant
Lead Executive Member: Cllr Cliff Lunn, Lead Executive Member for Finance & Resources
Lead Officer: Karen Iveson, Chief Finance Officer

Title: Housing Rents 2019/20

Summary:

This report presents proposals for Housing Revenue Account rent levels which have been set in accordance with Central Government's current policy on rent setting. Registered providers are required to reduce rents by 1% per year for 4 years from April 2016. The Government's policy aim was to help protect taxpayers from the rising costs of subsidising rents through housing benefit, and protect tenants from rising housing costs.

2019/20 is the final year of this 4 year policy which will see rents decrease on average from £83.26 in 2018/19 to £82.48 (adjusted for sales, housing development & dwellings meeting target through relets) per week on a 48 week basis, an average decrease of £0.78.

Overall this decrease in rents is estimated to reduce Housing Revenue Account rent yield by £100k in 2019/20.

Recommendations:

Recommendations:

It is recommended that:

- i) The Executive approve the proposed 1.0% rent decrease for 2019/20.

Reasons for recommendation

To allow rent levels to be set in advance of the coming financial year within the constraints of Government rent setting policy.

1. Introduction and background

- 1.1 Social housing rents are set according to the Government's rent policy. Following the Chancellor of the Exchequer's budget on 8 July 2015, the Welfare Reform and Work Act 2016 requires registered providers to reduce rents by 1% per year for 4 years from April 2016. 2019/20 rents will be the final year of rents set following this act. This move was intended to help protect taxpayers from the rising costs of subsidising rents through housing benefit, and protect tenants from rising housing costs.
- 1.2 To mitigate the impact on the HRA business plan (where larger rent increases had been anticipated) as part of self-financing, any new tenancies that had not converged with target (formula) rent are let at target. This means that in these circumstances rents do not remain below target rent permanently. Target (formula) rents also reduce by 1% per year for the four years from April 2016. At this point in time 877 properties have not yet converged with target rent.
- 1.3 During September 2018 the government ran a consultation on a proposed new direction to the Regulator of Social Housing on social housing rents from 1 April 2020, the details of which are outlined below. The results of the consultation are not yet available.
- 1.4 In October 2017, the government announced its intention to set a long term rent deal for both local authority landlords and housing associations. This would permit annual rent increases on both social and affordable rent properties of up to CPI + 1% (at September of the previous year) for a period of at least 5 years. This policy recognises the need for a stable financial environment to support the delivery of new homes. This new policy will come into effect from 1 April 2020.

2. Main Report

- 2.1 The 2018/19 weekly average rent, set on a 48 week basis is £83.26 (per Housing Rents report to Executive; 4 January 2018).
- 2.2 Actual and Formula rents are calculated using the previous year's rent, except those properties that are relet at formula less 1%.

2.3 **Average Rent Charges on a 48 week basis**

Year	2019/20 Proposed decrease	2020/21 (increase)	2021/22 (increase)
Actual Rent £	82.48	84.95*	87.50*
% (Decrease) / Increase	(1.0)	3.0	3.0
Formula Rent £	83.90	86.42*	89.01*
% (Decrease) / Increase	(1.0)	3.0	3.0
Difference Actual vs. Formula £	1.42	1.47	1.51

**CPI assumed to be 2% for this exercise*

2.4 The above table shows the formula rent against the actual rent to be charged to tenants. Formula rent is the rent target for our dwellings to be comparable with Registered Social Landlords.

2.5 Formula rents on average for 2019/20 are £1.42 per week higher than actual rents on a 48 week basis.

3. Alternative Options Considered

Not applicable.

4. Implications

Not applicable

4.1 Legal Implications

The 1% rent reduction was enacted as part of the Welfare Reform and Work Act 2016.

4.2 Financial Implications

The rent yield from the proposals in this report are summarised as follows:

	2018/19 (£000)	2019/20 (£000)	2020/21 (£000)	2021/22 (£000)
Budgeted Rent (£k)	11,940	11,840	12,143	12,452
Annual (Decrease) / Increase (£k)		(100)	303	309

Under the HRA self-financing regime, the Council keeps all of the rent collected and no longer has to pay subsidy. The amount of debt the Council took on as part of this change was influenced by rent income projections based on formula rent convergence. Rent generated is utilised to service the debt incurred, invest in maintaining our housing stock and new build opportunities as well as cover the

running costs of our Housing Revenue Account service. The HRA Revenue Budget has been drafted taking into account the reduction in rental income and our immediate investment needs can be covered although it will impact in the longer term.

4.3 Policy and Risk Implications

Not applicable

4.4 Corporate Plan Implications

Not applicable

4.5 Resource Implications

The rent reduction has a negative impact on the overall funding of the HRA, meaning that in the longer term there will be less resource for re-investment in our housing stock. This is lost funding which will never be recovered to invest in the housing stock and development. The HRA continues and will be able to meet its current revenue and capital commitments although capacity to invest in new stock has inevitably been reduced.

4.6 Other Implications

Not applicable.

4.7 Equalities Impact Assessment

Not applicable.

5. Conclusion

2019/20 will be 4th and final year of the 1% rent reduction policy. This will see rents decrease on average from £83.26 in 2018/19 to £82.48. This reduction combined with sales, housing development, relets at target and provisions for bad debts and void losses is expected to have the impact of reducing rent income by £100k compared to the 2018/19 budget.

Although rents generated cover the immediate commitments of the HRA including the capital programme, the rent reduction has an impact on the longer term by reducing the amount built up in reserves to reinvest in our current stock, build houses and the opportunity to repay debt earlier if required. From April 2020, the government is committed to increases of up to CPI + 1% for a period of at least 5 years which will provide some stability in relation to financial decision making within the HRA, and will increase the ability to build reserves to reinvest in the housing stock.

6. Background Documents

Not applicable.

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Report Reference Number: E/18/40

To: Executive
Date: 10 January 2019
Status: Key Decision
Ward(s) Affected: All
Author: Karen Iveson, Chief Finance Officer
Lead Executive Councillor Cliff Lunn, Lead Executive
Member: Member for Finance and Resources
Lead Officer: Karen Iveson, Chief Finance Officer

Title: Draft Revenue Budget and Capital Programme 2019/20 and Medium Term Financial Plan

Summary: This report presents the draft revenue budget; capital programmes and latest forecast for the Programme for Growth for 2019/20 to 2021/22. The 2019/20 budgets show a forecasted balanced budget after taking into account planned savings and reserve drawdowns.

In 2019/20 it is proposed that £3.7m is transferred to the Business Rates Equalisation Reserve to provide future revenue support in line with the previously approved MTFS policy. In 2020/21 £745k will be drawn down from this reserve and a further £294k will be required in 2021/22. The on-going use of reserves to support the revenue budget in this way is not a long term sustainable solution and therefore achievement of efficiency savings and additional income generation remain crucial as plans for Business Rates and Council Tax growth are brought to fruition.

The draft budget also includes Capital Programme proposals for the General Fund and HRA which, with exception of housing development loans and programmes which are funded through borrowing, are funded from reserves and external funding.

Subject to the outcome of the 2019 Spending Review, Fairer Funding Review and wider economic risks, plans are in place to deliver a sustainable budget going forward.

Recommendations:

It is recommended that the draft budgets, bids and savings be approved for public consultation and submitted to Policy Review for comments;

Reasons for recommendation: To enable the views of the public and Policy Review Committee members to gathered through consultation.

1. Introduction and background

- 1.1 The Council approved its Medium Term Financial Strategy (MTFS) on 18 September 2018. The MTFS covers both General Fund activities and the Housing Revenue Account, and provides the strategic financial framework for medium term financial planning and annual budget setting.
- 1.2 The Housing Revenue Account (HRA) and Housing Investment Programme (HIP) are covered in more detail by the Housing Business Plan (HBP). The current HBP was approved by Council on 24 February 2015 – a refresh is currently in progress which will align with the overarching financial framework set out in the MTFS.
- 1.3 The MTFS takes account of the Government’s offer of a multi-year finance settlement for Local Government which showed core General Fund funding reducing by £1m from £3.4m in 2016/17 to £2.4m in 2019/20 and a further reduction of around £900k in New Homes Bonus. The MTFS recognises on-going reductions to Government funding (Revenue Support Grant and New Homes Bonus) along with risk and uncertainty surrounding the fair funding review and the business rates retention system reset from 2020/21 as the key issues for the Council’s finances.
- 1.4 At the time of writing this report the Government has published the provisional Local Government Finance Settlement – any changes to the final settlement will be incorporated into the final budget proposals to be considered by the Executive in February 2019.
- 1.5 The MTFS highlights the wider economic risks associated with the UK’s exit from the European Union although realistic quantification of those risks is not possible at this stage.
- 1.6 The MTFS also confirms the Council’s strategic approach to securing financial sustainability by reducing its base net revenue budget in order to deliver services within its in-year resources; and investing ‘one-off’ or finite resources to stimulate local economic growth and achieve sustainable income through Council Tax and Business Rates growth.
- 1.7 From the HRA perspective the MTFS includes a 1% reduction in housing rents – 2019/20 is the final year of the Government’s 4 year plan to reduce social housing rents by 1% year on year.
- 1.8 The MTFS also confirms the Council’s reserves strategy - fundamentally avoiding the use of balances to support the on-going revenue budget which is not sustainable in the long term. Instead it seeks to balance the set aside of sums to cover known commitments and financial risk, as well as earmarking resources to support delivery of the Council’s Corporate Plan.

2. The Report

- 2.1 The draft revenue budgets for the 3 years from 2019/20 to 2021/22 are presented at **Appendix A**, the proposed capital programmes are shown at **Appendix D** and the current Programme for Growth is at **Appendix E**.

General Fund Revenue Budget

- 2.2 The draft budget includes provision for inflation where considered necessary and provision for the agreed pay award plus provision for the subsequent 2 years – a 5% vacancy factor has also been included to help mitigate the rising pay bill and manage other cost pressures within the budget. Committed growth, (for example the reduction in recycling credits and demand led pressures within our street scene contract) is also included where necessary along with some relatively minor proposals for discretionary growth. **Appendix C** identifies revenue and capital proposals for approval.
- 2.3 The draft budget includes an assumed £7.98m from renewable energy business rates in 2019/20 although it is understood that Drax Power Station is subject to a revaluation. In accordance with the MTFS after allowing for the revenue budget requirements these receipts will be transferred to the Business Rates Equalisation Reserve and the Special Projects Reserve. In accordance with the approved MTFS, the allocation of such receipts will be subject to confirmation as part of the next MTFS refresh and budget for 2020/21.

Provisional Local Government Finance Settlement

- 2.4 The provisional settlement was announced on 13 December. Key changes from the MTFS assumptions are:
- New Homes Bonus – an additional £340k for 2019/20;
 - Business Rates Baseline funding increased to £2.427m (safety net level) to reflect the 75% pilot in 2019/20 and the rolling-in of Rural Services Delivery Grant;
 - Rural Services Delivery Grant maintained at 2018/19 level (subject to safety net);
 - Additional £37k share of levy surplus

In accordance with the approved MTFS the additional resources have been transferred to Reserves for future allocation. Beyond 2019/20 the funding system is subject to review and for 2020/21 onwards current baselines (plus inflation) are assumed. In 2019/20 the revenue budget requirement for Business Rates includes £128k to bring in-year Business Rates Income up to Baseline.

Council Tax

- 2.5 The approved MTFS assumes a Council Tax increase of £5 for a Band D property for 2019/20. A £5 increase will take the Council average Band D charge from £175.22 to £180.22 – a rise of under 10p per week. This assumption is slightly below that used by the Government in their local government funding assessment, which assumes a maximum of 3%.

- 2.6 The tax base for Council Tax setting purposes has been calculated at 31,395.19 - a 1.81% increase on 2018/19. The MTFs assumed a 1% increase, so this additional growth will generate a further £45k towards the cost of Council services in 2019/20. In total therefore, the Council Tax yield is estimated at £5.658m for 2019/20.
- 2.7 Taking the Council's overall service requirements and funding assumptions together, the estimated position for 2019/20 is summarised overleaf with more detail at **Appendix A:**

General Fund	2019/20 £000's
Net Budget before contribution to/(from) Reserves*	12,119
Contributions to Reserves	9,668
Contributions from Reserves	(2,545)
Net Draft Revenue Budget (including reserve transfers)	19,242
RSG(per multi-year finance settlement)	0
Business Rates Baseline (safety net) - provisional settlement	(2,427)
New Homes Bonus	(1,954)
Special & Specific Grants (still t.b.c.)	(105)
Renewable Business Rates Income	(7,980)
Council Tax	(5,658)
Collection Fund Deficit – Council Tax	23
Total Funding	(18,101)
Planned savings	(1,141)
Net Budget (Surplus)/Deficit	(0)

- 2.8 Subject to the assumptions and risks within the budget, the estimated savings for 2019/20 are therefore £1.1m, with a further £406k for 2020/21 and then £365k for 2021/22 (see **Appendix A**).

Housing Revenue Account

- 2.7 The HRA budgets have been prepared using assumptions on rent changes based on the Government's formula. In 2019/20 the 1% reduction (part of the Government's 4 year plan) has been applied.
- 2.8 The estimated position on the HRA for 2019/20 is shown below, which is around £75k short of the position estimated when the forecasts were updated in February 2018. The HRA savings plan is on track to overachieve but opportunities for further efficiency will continue to be sought in order to maximise the resources available for investment in the service.

HRA	2019/20 £000's
Total Net Budget	8,835
Less Dwelling Rents	(11,840)
Less Savings	(214)
Net Surplus available for Major Repairs	(3,219)

- 2.9 Before consideration of the Housing Investment Programme requirements, a surplus position is anticipated for 2019/20. HRA surpluses are used to fund the HRA investment programme, which are smoothed annually through transfers to and from the Major Repairs Reserve. Investment proposals for 2019/20 total £4.369m (£2.725m previously approved and £1.644m new bids) which, if approved, will require a £1.365m drawdown from the Major Repairs Reserve. **Appendix F** shows the forecast on this reserve assuming all bids are approved.
- 2.10 Looking ahead the refreshed HRA Business Plan will set out the long term requirements for the Housing Revenue Account whilst balancing savings and investments within the context of a sustainable HRA.

Savings

- 2.11 The MTFS emphasises the careful balance that is required between savings and investment in order to ensure the Council's finances remain sustainable. Delivering on-going efficiencies is a key part of the Council's 'Great Value' priority – being as efficient as possible and living within our means, whilst using the financial capacity created to generate long-term gains to improve outcomes for citizens. An approved efficiency plan is a requirement of the multi-year finance settlement.
- 2.12 The Council has made good progress against its targets to date, but inevitably it is increasingly challenging to achieve further savings from a reducing cost base. However, the focus on delivering planned efficiency savings must be maintained, given their importance in achieving the Council's financial (and wider) objectives and to avoid the use of balances to support on-going spending which is unsustainable in the longer term. The Council's approach to savings covers three key strands:
- **Transforming** our business through the use of technology and flexible working to meet citizen and customer needs;
 - **Growing** our resources through investment in economic and housing growth to drive growth in Council Tax and Business Rates and through charging for services and trading externally;
 - **Commissioning** from and with partners to achieve shared efficiencies and reduce the demand for public sector services.
- 2.13 Taking the proposals for Council Tax, growth, and reserve transfers and assumptions on Formula Grant, the draft budget includes savings proposals of £1.1m for 2019/20 rising to £1.6m for 2020/21 and to £2m by 2021/22. The plan will continue to be monitored closely and opportunities for further savings will be considered as part of the next refresh of the MTFS. Progress against the latest savings plan is presented at **Appendix C**.

GF Savings Summary	2019/20 £000's	2020/21 £000's	2021/22 £000's
Low risk/completed	580	500	500
Medium risk/in progress	459	747	797
High risk/not started	102	360	675
Cumulative Savings	1,141	1,607	1,972
Annual Savings	1,141	466	365

HRA Savings Summary (Cumulative)	2019/20 £000's	2020/21 £000's	2021/22 £000's
Low risk/completed	12	12	12
Medium risk/in progress	194	194	194
High risk/not started	8	8	8
Cumulative Savings	214	214	214
Annual Savings	214	0	0

General Fund Capital Programme

- 2.14 The General Fund capital programme includes previously approved projects as well as new growth – a summary of the growth proposals is shown at **Appendix B** and the draft capital programme is attached at **Appendix D**.
- 2.15 Much of the programme is of a relatively routine nature and accordingly, subject to Council approval, officers will be given authority to progress schemes in 2019/20 based on the information contained within Appendices B and D. There are however, projects for which Detailed Business Cases will be required for Executive consideration before actual work commences. These are:
- Industrial Units improvement programme
 - Selby and District Housing Trust loans

For these 'non-routine' schemes, detailed business cases will be brought to the Executive for approval in due course.

- 2.16 There is limited room for additional revenue contributions to support the capital programme and therefore it is largely supported by capital receipts, external grants and earmarked reserves. Housing development Loans are mainly funded through borrowing. The following table presents a summary of the proposed programme:

Programme	2019/20 £000's	2020/21 £000's	2021/22 £000's
Asset Management works	494	126	50
Grants & Loans	377	377	347
ICT Replacement	321	149	150
Housing Development Loans	7,694	0	0
Total Programme	8,886	652	547

Funding	2019/20 £000's	2020/21 £000's	2021/22 £000's
Capital Receipts	30	30	0
Grants	347	347	347
Reserves	815	275	200
S106 Commuted Sums	220	0	0
Borrowing	7,474	0	0
Total Funding	8,886	652	547

- 2.17 Projects include enhancement of existing assets such as the car parks, the Civic Centre and industrial units, Disabled Facilities Grants, Selby and District Housing Trust development loans, and ICT projects. The latter cover a range of replacement and new systems, hardware and infrastructure – funding for ICT projects is covered by the ICT Replacement Reserve.

Housing Investment Programme

- 2.18 The Housing Investment Programme (HIP) includes a number of growth proposals to ensure our homes continue to meet the decency standard – these proposals are shown at **Appendix B** and the updated HIP is at **Appendix D**. The following is a summary of the draft programme:

Programme	2019/20 £000's	2020/21 £000's	2021/22 £000's
Decent Homes Programme	3,681	2,893	2,843
Community Centre Refurb	30		
Sheltered Homes Adaptations	165	150	
Empty Homes Programme	700	700	
Estate Enhancements	100		
St Wilfred's Court Refurb	100		
Footpath Repairs	173	173	173
Pumping Station Replacement	120	120	120
New Build Programme	2,280		
Total Programme	7,349	4,036	3,136
Funding			
Major Repairs Reserve	4,369	3,336	3,136
Capital Receipts	340	280	
HCA Grant	210	210	
S.106 Commuted Sums	530	210	
Borrowing	1,900		
Total Funding	7,349	4,036	3,136

2.19 As with the General Fund, much of the HRA programme is of a relatively routine nature and again, subject to Council approval, officers will be given authority to progress schemes in 2019/20 based on the information contained within Appendices B and D. Projects for which Detailed Business Cases will be required for Executive consideration before actual work commences are:

- HRA new build programme

For these 'non-routine' schemes, detailed business cases will be brought to the Executive for approval in due course.

Programme for Growth

2.20 The 'Programme for Growth' is the Council's strategic programme to support delivery of its Corporate Plan. The programme comprises a range of cross cutting projects designed to 'make Selby a great place'. The current Programme was approved as part of the 2018/19 budget and in-year progress reports have been presented to both Executive and the Overview and Scrutiny Committee (both separately and as part of the quarterly finance updates).

2.21 Following a Corporate Peer Challenge in November 2017, the Programme has been reviewed and refocussed. Prioritisation of resources is crucial to ensure delivery of the intended outcomes within the budget available.

2.22 The approved budget includes a sum of £10.9m over the 3 years from 2017/18 to 2019/20. In accordance with the approved budget, to date £1m p.a. (£3m in total) has been committed to funding the new Economic Development and Regeneration Service and other internal capacity across the Council required to deliver the growth ambitions set out in the Corporate Plan (including the Economic Development Framework and Action Plan and the Programme for Growth). A £7.9m has been allocated to Programme for Growth projects.

2.23 The programme is funded by New Homes Bonus (to date up to £880k p.a.), and business rates receipts from renewable energy facilities.

2.24 The Programme budget alongside a proposal to transfer funding from projects to staffing resources (see paragraph 2.26) is summarised below:

Special Projects/Programme for Growth	Current Programme Budget £000's	Proposed Programme Budget £000's
Staffing Resources	3,000	3,643
Project Delivery	7,762	7,119
Unallocated	172	172
Total Programme	10,935	10,935

2.25 **Appendix E** sets out the current programme.

- 2.26 The proposed Economic Development Framework Delivery Plan for 2019 and 2020 requires funding to maintain and extend the staffing resource at the Council, similarly the Housing Development Programme, and projects such as the Nat west Banks requires appropriate resource. This can be funded within existing budgets by transferring funds from existing allocations in the agreed P4G project budgets. The cost of the required staffing measures identified for delivery of the EDF is circa £166kp.a (£500k over 3 years). Work is ongoing to confirm the resource requirements for housing and assets. The amount within the existing P4G budget that is available for transfer to a P4G resources pot is currently £643k. This means that subject to Member approval, over £140k plus the £172k unallocated will remain available to address future resource issues.

Reserves

- 2.27 The Council has a robust reserves strategy which is reviewed annually as part of the refresh of the MTFS. A forecast of reserve balances based on the MTFS assumptions and draft budget, is set out at **Appendix F**. As at 31 March 2019 reserves are forecast at:

Reserves	31 March 2019 £000's
General Fund	
Commitments	4,259
Growth and improvement	4,865
Risk	5,776
Total General Fund Reserves	14,900
HRA	
Balances	2,267
Major Repairs	3,478
Total HRA Reserves	5,745
Capital receipts (from asset sales)	4,468

- 2.28 Reserves to fund commitments are replenished by regular revenue contributions to ensure they remain sustainable.
- 2.29 Reserves for growth and improvement include £700k for the Programme for Growth (from New Homes Bonus and the Business Rates windfall and subject to spend profile) and £3.6m in S106 affordable housing commuted sums, which must be spent on affordable homes. Reserves to manage risk include £3.6m from Business Rates to support the revenue budget (per MTFS) and £1.5m General Working Balance.
- 2.30 The HRA reserves are General Balances and the Major Repairs Reserve (MRR) which are ring-fenced for the HRA. The HRA capital programme will require £4.4m from the MRR in 2019/20.

- 2.31 These earmarked reserves provide the financial capacity to fund the capital programmes and other irregular expenditure. Including the proposals within this draft budget it is estimated that in total £8.3m will be required from reserves to fund on-going projects and new proposals.
- 2.32 Contributions to reserves (including capital receipts) of £15.9m are forecast for the year which includes resources set aside to support future revenue budgets and subject to savings delivery, future investments.

3. Alternative Options Considered

- 3.1 The MTF5 sets out scenarios and options for key assumptions including Council Tax.

4. Implications

4.1 Legal Implications

- 4.1.1 None as a result of this report.

4.2 Financial Implications

- 4.2.1 As set out in the report.

4.3 Policy and Risk Implications

- 4.3.1 As part of the annual budget process a risk assessment of the Council's major budgets is undertaken. The continuing uncertainty in the wider economy as Brexit approaches, cuts to public sector funding and the uncertainty within the funding regime, mean greater financial risk for the Council. Areas that are particularly high risk are central government funding and income generation (across key services such as planning, car parking and leisure) along with savings, and inflationary and demand led cost pressures – in services such as waste and recycling.
- 4.3.2 The Council's contingency budgets, earmarked reserves and general balances provide a buffer for these risks and are crucial to ensure sustained financial resilience and viability.

4.4 Corporate Plan Implications

- 4.4.1 The draft budget proposals are in accordance with the Medium Term Financial Strategy approved by Council in September and support delivery of the Council corporate objectives and priorities.

4.5 Resource Implications

- 4.5.1 The draft budget proposals include provision for the resources necessary to deliver the Council's objectives.

4.6 Other Implications - None.

4.7 Equalities Impact Assessment

4.7.1 There are no particular equality implications arising from the proposals set out in the report.

5. Conclusion

5.1 The draft General Fund Net Revenue Budget for 2019/20 totals £19.242m (£18,101 after planned savings of £1.141m). It assumes a Council Tax rise of £5 for a Band D property and after the application of Central Government funding, transfers to reserves, and savings is a 'balanced budget'. Savings of £214k are forecast for the HRA.

5.2 Plans are in place to deliver the expected General Fund and HRA savings through a combination of efficiency and income generation. The pace of savings is such that support from Business Rates will be required to support the revenue budget in the shorter term. The MTFs provides resources in the Business Rates Equalisation Reserve for this support – subject to delivery of savings, £1m is planned to be drawn down over the 2 years 2020/21 and 2021/22.

5.3 Progress is being made against the proposals identified within the approved plan but with risk to the Council's core funding further opportunities for efficiency will continue to be sought.

5.4 The budget also provides for a capital programme to meet General Fund and HRA needs and includes the remaining resources to support the Programme of Growth – the Council's strategic programme which aims to deliver its Corporate Plan priorities, generating economic growth and sustainable income for the Council as core government funding reduces.

6. Background Documents

None

7. Appendices

A – Revenue estimates

B – Growth bids

C – Savings

D – GF Capital programme and Housing Investment Programme

E – Programme for Growth

F – Reserves

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GENERAL FUND SUMMARY 2019/20 - 2021/22

	2019/20 Original £	2020/21 Original £	2021/22 Original £	Comments
Leadership & Extended Leadership Team	1,000,750	1,019,970	1,039,470	Management Team
Operational Services	3,928,200	3,957,720	3,927,800	Environmental Health, Property Management, Benefits & Taxation, Contact Centre, Strategic Housing
Business Development & Improvement	1,552,060	1,427,920	1,430,670	ICT, Data & Systems, HR, Marketing & Transformation
Commissioning, Contracts & Procurement	4,097,060	4,247,970	4,403,930	Waste & Recycling Contracts, Grounds Maintenance & Leisure
Community, Partnerships & Customers	260,020	124,970	66,180	Includes miscellaneous grants & P4G Schemes
Economic Development & Regeneration	434,440	235,370	76,460	Includes P4G funded posts in Economic Development & Regeneration
Planning	416,530	414,750	117,540	Development Management & Planning Policy (Local Plan)
Finance Services	2,204,220	2,279,690	2,355,870	Finance, Audit & Internal Drainage Boards
Legal & Democratic	916,880	784,090	785,680	Legal, Licensing & Dem. Services - 19/20 includes District Election
Additional Vacancy Factor	(211,620)	(212,760)	(216,420)	Vacancy factor increased from 2% to 5%
Service Budgets	14,598,540	14,279,690	13,987,180	
CEC Charged to HRA	(2,635,470)	(2,688,179)	(2,741,943)	
Recharge to HRA for Capital Programme Delivery	(139,730)	(142,525)	(145,375)	
Net Service Budget	11,823,340	11,448,986	11,099,862	Reducing mainly due to P4G contracts ending
Investment Income	(300,000)	(300,000)	(300,000)	Savings plan includes proposal to increase cap to £350k
External Interest	75,200	75,200	75,200	
Parish CTS Grant	0	0	0	
Capital A/c Adjustment MRP Charge	193,040	193,040	193,040	
Capital A/c Adjustment RAS loans	(30,000)	(30,000)	0	
Capital A/c Adjustment Capital Chgs	(769,850)	(769,850)	(769,850)	
Previously Approved Growth bids/Projects:				
Asset Management Bids	319,002	75,998	825	
Repair Assistance Loans	30,000	30,000	0	
ICT Bids	245,000	149,000	15,000	
New Bids - Revenue				
Civicapay implementation	625	625	625	
Microphone system	0	6,000	6,000	
Implementation of My View	3,500	3,500	3,500	
Repair Diagnostic Tool	1,075	1,075	1,075	
Industrial Unit Improvement Programme	(20,000)	(20,000)		
Closed burial grounds maintenance budget	18,000	18,000	18,000	
Selby Town Abbey 950 addt maintenance programme	18,500			
New Bids - Capital				
Transforming Customer Services	110,000			
Civicapay implementation	36,100			
Microphone system	40,000			
Computer refresh (rolling programme)			49,500	
Microsoft licencing			85,000	
Industrial unit improvement programme	50,000	50,000	50,000	This is a 3 year fixed term bid - the specific programme of works is still to be defined.
South Milford retaining wall works	15,000			
Contingencies	260,000	260,000	260,000	Savings plan includes proposal to reduce base budget to £100k p.a. for the Operational Contingency with a further £150k Commissioning Contingency to be funded from the Contingency Reserve - reviewed annually and subject to sufficient in reserve.
Net Budget before contribution to/(from) Reserves*	12,118,532	11,191,574	10,787,777	
Contribution To Reserves				
Asset Management	200,000	200,000	200,000	
ICT	141,000	141,000	141,000	
PFI	295,156	302,759	309,672	
Pension Equalisation Reserve	100,000	100,000	100,000	Savings plan includes proposal to cease these contributions
District Election	34,000	34,000	38,000	
Special Projects/(Programme for Growth)	5,465,664	-	-	
Local Plan	50,000	50,000	50,000	
Business Rates Equalisation	3,383,385			Resources available after budget support requirements
Contribution From Reserves				
Asset Management	(497,002)	(128,998)	(53,825)	
ICT	(321,100)	(149,000)	(149,500)	
PFI	(426,788)	(435,323)	(444,030)	
District Election	(136,000)	-	-	
Local Plan	(97,500)	(167,500)	-	
Special Projects / Programme for Growth	(1,066,745)	(594,820)	(299,820)	Reducing in line with service budget P4G spend
Business Rates Equalisation	-	(745,349)	(293,504)	Drawdown required to support the revenue budget - subject to savings delivery
NET REVENUE BUDGET	19,242,602	9,798,343	10,385,770	
Grant RSG	-	-	-	RSG no longer included in finance settlement from 2019/20
NNDR	- 2,426,683	- 2,363,000	- 2,410,000	Per Provisional Settlement allowing for N&WY 75% BRR Pilot - 19/20 safety net. 20/21 and 21/22 at pre-pool baseline
New Homes Bonus	- 1,954,761	-	-	Per Provisional Settlement
Special and Specific Grants*	(105,117)	-	-	Levy Surplus per Provisional Settlement and estimate for Council Tax Support
Business Rates Collection Fund Deficit/(Surplus)	(7,980,000)	-	-	Per MTFS
Council Tax to be Levied	- 5,658,041	- 5,828,343	- 6,003,770	Assuming £5 increase in Band D charge and 1.81% tax base growth
Council Tax Collection Fund Deficit/(Surplus)	23,000	-	-	
Shortfall / (surplus)	1,141,000	1,607,000	1,972,000	
Savings Plan	- 1,141,000	- 1,607,000	- 1,972,000	See Appendix C for detail
Shortfall/(Surplus) after savings	(0)	0	(0)	
Tax Base	31,395.19	31,709.14	32,026.23	
Band C Tax	180.22	183.81	187.46	

HOUSING REVENUE ACCOUNT SUMMARY 2019/20 to 2021/22

	2019/20 Original £	2020/21 Original £	2021/22 Original £	Comments
Operational Services	3,008,700	3,014,950	3,042,430	All salary costs removed (except Cleaners), only inflation increases reflected.
Commissioning, Contracts & Procurement	108,720	112,070	115,530	Increase in grounds maintenance contract
New Revenue Bids -Not yet approved	10,000	12,500	20,000	New revenue bid- Fire Risk Assessment & Asbestos removal
Service Budgets	3,127,420	3,139,520	3,177,960	
CEC Recharges from GF	2,775,200	2,830,704	2,887,318	Reflects charges for salaries and overheads attributable to the HRA
Net Service Budget	5,902,620	5,970,224	6,065,278	
Capital A/c Adjustment Capital Chgs	(1,296,640)	(1,296,640)	(1,296,640)	Reversal of Depreciation Charges
Contingency	75,000	75,000	75,000	To support housing development costs / properties held for redevelopment
Debt Management Expenses	6,000	6,000	6,000	Support TM costs, part of NYCC contract
Investment Income	(135,000)	(135,000)	(135,000)	Based on MTFS assumptions
HRA Debt - Payment of Interest	2,712,860	2,379,060	2,331,230	Assumes borrowing up to debt cap at current PWLB Maturity rate.
Provision for Bad & Doubtful Debts	260,480	267,150	273,940	Assume increase in provision for tenants on benefits as a impact of Universal Credit
Net Budget before contribution to/(from) Reserves	7,525,320	7,265,794	7,319,808	
Contribution To Reserves				
Comp Development Cont	50,000	50,000	50,000	Contribution to ICT Reserve
HRA Debt - Voluntary MRP	1,260,000	1,260,000	1,260,000	Provision to repay self financing debt
NET HRA REVENUE BUDGET	8,835,320	8,575,794	8,629,808	
Dwelling Rents	(11,840,000)	(12,143,000)	(12,452,000)	1% Rent reduction for 4 years, 19/20 being the last - CPI + 1% Assumed going forward
Shortfall / (surplus)	(3,004,680)	(3,567,206)	(3,822,192)	To fund the HRA investment programme
Planned Savings	(214,000)	(214,000)	(214,000)	HRA Savings Target
Net Surplus available for Major Repairs	(3,218,680)	(3,781,206)	(4,036,192)	Transfer to / (from) MRR to meet demands of capital programme and new build

GENERAL FUND NEW BIDS 2019/20 - 21/22

Description	Strategic Theme / Priority	Revenue			Capital			Comments	Term	Funded From
		19/20	20/21	21/22	19/20	20/21	21/22			
<p>Transforming Customer Services - To make the necessary alterations to the Civic Centre reception area to ensure it is fit for purpose for face to face contact with the customer</p>	Councils budget proposals and MTFS include a savings target to be achieved through relocating the CCC				110,000	0	0	Moving the CCC is a stand-a-lone project but it is inextricably linked with the Council's ambition to channel shift providing access to services 24/7 online, but it will also ensure customers are our focus removing the disconnect between the current Market Cross location and the civic centre. CCC staff will be able to more easily discuss customer issues with service areas and service areas will reconnect with their customers increasing the accountability of each business area to manage customer experience. Negotiations with Dransfield (the Landlord) have commenced to seek an alternative tenant for the property from July 2019. (the earliest date a move could take place) Based on indicative costing provided and based on exiting the lease, Payback on the capital investment required to alter the Civic Centre reception could be achieved within 2 years. The full year saving on this will be £220k per annum from 20/21 which will contribute to the asset rationalisation and transformation savings identified within the savings plan	One off	Asset Mgmt
Net Cost of Bid		0	0	0	110,000	0	0			
<p>Implementation of CivicaPay -Initial software licence</p>	<p>ICT Strategy 2018-2020 sets a programme for delivery of a digital workforce Success would be demonstrated by the increase number of services available to customers to complete transactions online and the measured 'take up' of customer transactions.</p>				11,100			- The ability to take payment online (epayments) is a central strand of the Council's Digital Strategy. It is cheaper for the Council and often more convenient for the customer - who now expect to be able to transact with service providers 24/7 - SDC currently use Northgate Paris Software to process epayments, currently running at almost 4000 transactions per month. the 2 main drivers for using an alternative provider are	One off	ICT
-Conversion of existing PARIS solution to CivicaPay					25,000			- 1 - Paris is not compliant with PCI-DSS regulations. There are considerable fines associated with non-compliance following data compromise (from ten to hundreds of thousands of pounds).	One off	ICT
-50,000 transactions p/a		3,500	3,500	3,500				- 2 Paris has been bought by Civica and is being phased out. it is expected to become unsupported within 18 months.	Perm	Revenue
-Hosting		6,000	6,000	6,000				- The proposal is to move from Paris to Civica's own epayments software - Civica Pay	Perm	Revenue
-Maintenance and Support		6,685	6,685	6,685				- CivicaPay is used in over 150 local authority sites, serving over 15m UK citizens, processing 16m payments annually, a service with 99.99% availability. By implementing the hosted e-payments and income management solution this will help SDC deliver greater automation, efficiency gains and cost savings whilst at the same time providing service improvements to the customer working towards the Digital Transformation agenda. Civica Pay is fully PCI DSS and PA DSS compliant.	Perm	Revenue
-Savings		-15,560	-15,560	-15,560				- Whist Civica initially proposed to move current Paris customers to Civica Pay for no additional costs, it has become apparent that this is not the case. However, the costs are significantly better than procuring new software from scratch - several years ago SDC were quoted c. £80k for Civica Pay.	Perm	Revenue
Net Cost of Bid		625	625	625	36,100	0	0			
<p>Page 11 Selby Town additional maintenance programme</p>	The work supports the corporate and economic development priority to help the district's market towns reach their potential and supports delivery of two time restricted P4G initiatives - Selby 950 and potentially the Tour de Yorkshire in 2019.	18,500						Review and where needed paint railings in Selby Abbey grounds Review and where needed paint or replace 16 x benches in Micklegate, Church Hill, Portholme Road field, James Street Replace 5 x litter bins on the Market Place	One off	P4G
Net Cost of Bid		18,500	0	0	0	0	0			
Replacing microphone system in the Council Chamber	Working with others and co-developing the way in which services are delivered		6,000	6,000			40,000	The current microphone system is very out dated and has now become not cost effective to repair the faults that occur due to the excessive costs of repair. This is further compounded by the fact that there is no maintenance contract. There are now only 37 working microphones which does not even equal the number of Members on the Council which is 31. If any more microphones stop working, it would have a major impact on Council meetings with particular concern over public involvement and the ability to understand the business which goes on in meetings. This presents a great risk on the Council's reputation with the public and with Members. A more robust and modern system is required that can also able the feature of electronic voting. This feature now comes as standard in many modern systems and is a feature at many other authorities. A new system also gives the Council an opportunity to explore other functionality such as audio recording of meetings which can assist the decision making process.	Perm	Revenue
								- Currently, estimated process have been sought from companies and if the bid is approved, a more detailed specification will be compiled.	One off	ICT
Net Cost of Bid		0	6,000	6,000	40,000	0	0	- This bid meets the Council's priorities by working with others and co-delivering the way in which services are delivered. This work will help to continually improve value for money in the business.		

Description	Strategic Theme / Priority	Revenue			Capital			Comments	Term	Funded From
		19/20	20/21	21/22	19/20	20/21	21/22			
Implementation of MyView	- Empowering and involving people in decisions about their area and their services - Facilitating people to access and use alternative service delivery channels - By devolving the right amount of responsibility, to the right people, at the right time. - Use Self Service to heighten employees' engagement with HR and communication throughout the council	5,000	5,000	5,000				- 'Digital workforce' is one of the three key priorities of the Digital Strategy agreed by Executive in July. - MyView (or similar) would provide employees with self service functionality to process common HR transactions - such as the approval of leave, absence management and management of the expenses claim process. Hundreds of such transactions take place every month and currently these are all processes that are paper based and undertaken manually. - Automating these transactions would increase efficiency and help create the technology enabled culture that we seek for employees - which would help with our aim of also encouraging customers to take up digitally enabled services. - MyView is currently used by NYCC and it is expected that - whilst an exercise would be undertaken to assess the full VFM of MyView - NYCC would provide SDC with access to MyView under the Better Together collaboration. - Not only would it be expected that both parties would benefit from economies of scale and pace of implementation but the adoption of MyView by SDC would also help streamline the payroll process as SDC staff would essentially connect directly to NYCC HR system. NYCC have already indicated that this would significantly reduce our payroll costs based on the current provision and their may be scope for further savings, e.g. via use of electronic payslips. Until this is confirmed the bid reflects the worst case. - Links directly to the corporate priority of delivering great value - Use of self service to heighten employees engagement with HR and communication throughout the Council - The impact on other service areas are that HR would be affected as they will have completed a full reworking of their service delivery model based on the implementation of MyView - the lack of revenue to support this would not realise the return on investment for the project.	Perm	Revenue
	Savings on the current maintenance costs	-1,500	-1,500	-1,500				- The impact on other service areas are that HR would be affected as they will have completed a full reworking of their service delivery model based on the implementation of MyView - the lack of revenue to support this would not realise the return on investment for the project. - Not implementing HR self service will limit the scope for increased efficiency and prevent SDC from realising savings on the provision of payroll services from NYCC.	Perm	Revenue
	Initial Licensing & Implementation								One off	ICT
Net Cost of Bid		3,500	3,500	3,500	0	0	0			
Equipment Refresh	- The Corporate Plan sets out that the Council will 'deliver great value' and modern, secure devices, suitable for officers and councillors to undertake their roles, are crucial to use systems effectively and ensuring services are efficient, delivering value for money. - The ICT Strategy 2018-2020, sets a programme for delivery of a digital workforce and this bid ensures the benefits continue to be realised in the future.						49,500	- The ICT Business Case for the shared service with NYCC identified that in order for them to be able to maintain the estate we would need to refresh our ICT equipment. A bid was placed and is secured for the update of our equipment for 18/19, 19/20, 20/21. - This bid is to secure funding for an annual refresh for 2021/22. - The funding will be used to update approx. one third of the organisations devices (a mix of tablets, laptops and desktops) which will have been purchased in 2018/19. This will continue to drive the future benefits of the Digital Workforce project by ensuring officers and councillors continue to work from devices suitable to undertake their roles.	Perm	ICT
Net Cost of Bid		0	0	0	0	0	49,500			
Page 72 Replacement of repair diagnostic tool Purchase of customer repair diagnostic tool and surveying tool	Essential to maintain the existing level of service Section Improvement Plan Initiative	6,075	6,075	6,075				An up to date diagnostic tool allows for repairs to link to our schedule of rates and ensures accuracy in diagnosing repairs / costs and the correct resource to carry out the work - resulting in more repairs completed right first time. Two additional options are available: 1. To allow customers to use a version of the diagnostic tool through the tenant portal which would increase options for self serve and save time for the back office team in diagnosing repairs 2. Provision of a surveying tool for trades teams to complete asset surveys electronically and allow updates to transfer automatically to the back office system therefore reducing administrative time	one off	ICT
								The software potentially would reduce reliance upon the contact centre for customers to report repairs as this would enable self service. The software would link directly to the new schedule of rates so that job costing is more accurate and the right trade is applied to the job Applying the right trade first time results in improved customer service	perm	Revenue
								Failure to replace the diagnostic software would impact on the time for back office staff to correctly diagnose repairs - this tool simplifies the procedure meaning that non-technical staff can raise works orders. failure to implement the customer facing diagnostics would reduce available functionality through the new tenant portal	perm	Revenue
Net Cost of Bid		1,075	1,075	1,075	0	0	0			
Industrial unit improvement programme	Making the district a great place to do Business				50,000	50,000	50,000	This is a replacement bid. The stock condition survey completed in 2014/15 vastly underestimated the levels of works required to ensure the units continue to offer a viable option for small businesses. Costs are estimates only. Works required include: - Internal refurbishment of communal areas (Prospect and Vivars Centre). - Refurbishment of individual unit facilities as they become void to provide an attractive proposition for potential tenants. - Replacement of corroding roof sheeting and failing skylights.	Fixed Term	Asset Mgmt
	Previous bid in 2018/19 GF21 £25000	-20,000	-20,000						Asset Mgmt	
Net Cost of Bid		-20,000	-20,000	0	50,000	50,000	50,000			
Works to South Milford Retaining Wall					15,000			To undertake significant remedial works required to a retaining wall at South Milford.	One Off	Asset Mgmt
On-Going Maintenance Programme		18,000	18,000	18,000				Provide an annual investment budget of £1.5k per Closed Burial site to carry out remedial works and repairs.	Perm	Revenue
Net Cost of Bid		18,000	18,000	18,000	15,000	0	0			
Total Value of new GF Bids		21,700	9,200	29,200	251,100	50,000	99,500			

Funding	19/20	20/21	21/22	19/20	20/21	21/22
ICT Reserve				76,100	0	49,500
Asset Management Reserve				175,000	50,000	50,000
P4G	18,500					
Contingency	0					
Revenue	3,200	9,200	29,200			
Total	21,700	9,200	29,200	251,100	50,000	99,500

HRA NEW BIDS 2019/20 - 21/22

Description	Strategic Theme / Priority	Revenue			Capital			Comments	Term	Funding
		19/20	20/21	21/22	19/20	20/21	21/22			
To procure the services of an appropriately qualified and competent Fire Risk Assessment specialist to complete individual assessments of circa 230 communal areas across SDC stock, providing legislatively compliant assessments and action plans for each property	SDC are required under the Regulatory Reform (Fire Safety) Order 2005 to complete and maintain Fire Risk Assessments for all communal areas located within our properties and to ensure we have a best practice approach to fire safety				75,000			- In the wake of Grenfell we have reviewed our approach to fire risk prevention for our flats and communal areas. Although NYCC have undertaken fire risk assessments on some of our properties (offices, commercial units, community centres, Ousegate Lodge etc.) through our health and safety contract, it is evident that assessments relating to the communal areas in our domestic stock has not been updated and maintained. - Since it could be argued the Council does not currently comply with the requirements of the Regulatory Reform (Fire Safety) Order 2005, appropriate resource should be secured as soon as possible.	One off	Major Repairs Reserve
Capital improvement works resulting from FRA action plans (estimated as based on findings)					25,000	50,000				
Ongoing revenue budget implications to maintain stock to correct standard once achieved	Compliance with the Regulatory Reform (Fire Safety) Order 2005 is a statutory responsibility, with penalties for non-compliance including unlimited fines and imprisonment.		2,500	10,000				- The bid for capital funding will result in an ongoing maintenance responsibility for the Council in order to maintain the required standards moving forwards. This is difficult to quantify, but is estimated to be circa £10,000 per annum initially. - The Council will also need to ensure at least one member of staff undertakes appropriate training to enable review of the FRA's every 12 months. - Procurement colleagues have identified a fully compliant framework (which SDC can access at no additional cost) for undertaking the assessment part of the programme.	Perm	HRA Revenue
Net Cost of Bid		0	2,500	10,000	100,000	50,000	0			
To undertake a complete assessment of all SDC properties to provide a legislatively compliant record of asbestos containing materials.	Compliance with the Control of Asbestos Regulations 2012 is a statutory responsibility, with penalties for non-compliance including unlimited fines and imprisonment. The programme will deliver a complete assessment of our stock and ensure SDC is able to manage asbestos containing materials within our property portfolio in a legislatively compliant manner.				120,000	120,000	120,000	- The Council has an obligation under legislation to monitor the condition of asbestos containing materials within its property portfolio. - This will necessitate re-inspection of properties on an annual basis by a competent individual. - To ensure the Council complies with the requirements of the Control of Asbestos Regulations 2012, appropriate resource should be secured as soon as possible. - The risk of not undertaking this work is that we may fail in our statutory duty as a landlord, potentially exposing customers, visitors, employees and contractors to the risk of exposure to asbestos fibres.	Perm	Major Repairs Reserve
To provide funding to facilitate removal of asbestos containing materials where their condition or location is considered inappropriate for management in situ.		10,000	10,000	10,000						
Net Cost of Bid		10,000	10,000	10,000	120,000	120,000	120,000			
Door replacement programme.	Effectively maintain the condition of the SDC housing stock				197,600	197,600	197,600	This is a replacement bid based on replacing the doors to 5% of our properties per year. Costs are based on currently procured rates (circa £650/door).	Perm	Major Repairs Reserve
Net Cost of Bid		0	0	0	-160,000	-160,000	-160,000	Previous Cyclical Repairs bid £160K perm.		
Window Replacement programme	Effectively maintain the condition of the SDC housing stock				453,300	453,300	453,300	This is a replacement bid based on replacing windows to 5% of our properties per year. Costs are based on currently procured rates (circa £2,200/property).	Perm	Major Repairs Reserve
Net Cost of Bid		0	0	0	-120,000	-120,000	-120,000	Previous bid in 17/18 £130K 18/19 £120K perm.		
Kitchen Replacements	Effectively maintain the condition of the SDC housing stock				180,000	180,000	180,000	This is a replacement bid based on replacing kitchens in 2% of our properties per year. Costs are based on most recently procured rates +2.5% for inflation (circa £3,000/property).	Perm	Major Repairs Reserve
Net Cost of Bid		0	0	0	-130,000	-130,000	-130,000	Previous bid in 17/18 £140K 18/19 £130K perm.		
Bathroom Replacements	Effectively maintain the condition of the SDC housing stock				134,400	134,400	134,400	This is a replacement bid based on replacing bathrooms in 2% of our properties per year. Cost are based on most recently procured rates +2.5% for inflation (circa £2,152.50/property)	Perm	Major Repairs Reserve
Net Cost of Bid		0	0	0	-30,000	-30,000	-30,000	Previous bid in 17/18 £30K 18/19 £30K perm.		
CO detection installation system	Effectively maintain the condition of the SDC housing stock				226,600	0	0	Installation of mains powered CO detection (assumes 75% of properties require new installation) to deliver best practice level of detection across property portfolio.	One off	Major Repairs Reserve
Net Cost of Bid		0	0	0	226,600	0	0			
CO detection replacement system	Effectively maintain the condition of the SDC housing stock				0	37,800	37,800	Installation of replacement mains powered CO detection (assumes 25% of properties with existing installation require replacement) to deliver best practice level of detection across property portfolio.	One off	Major Repairs Reserve
Net Cost of Bid		0	0	0	0	37,800	37,800			
Communal area refurbishment programme					230,000	230,000	230,000	Links to sustainable tenancies. Estimated costs for refurbishing the communal entrances and staircases of our domestic blocks across the district. The programme will tie in with potential works identified through the FRA process. Estimated costs are based on completing 10% of our blocks per annum (circa £10,000/block).	Perm	Major Repairs Reserve
Net Cost of Bid		0	0	0	230,000	230,000	230,000			
Footpath Repairs					172,500	172,500	172,500	Refurbishment of Council owned footpaths across the district. Inspections in recent years have identified circa 4,000 metres of path which is in need of replacement. Bid based on replacing circa 1,500m/annum @ approximately £112.20/metre)	Perm	Major Repairs Reserve
Net Cost of Bid		0	0	0	172,500	172,500	172,500			
Energy efficiency programme - pilot programme of replacing solid fuel or electric only heating with air source heat pump systems.					150,000	0	0	Links to sustainable tenancies. Estimated costs for pilot programme of switching 12 to 15 properties from solid fuel or electric only heating to energy efficient air source heat pump systems. Programme would look to upgrade other energy efficiency measures at the same time to maximise benefits e.g. doors, windows, cavity wall insulation etc.) Estimated costs circa £10,000/property).	One off	Major Repairs Reserve
Net Cost of Bid		0	0	0	150,000	0	0			
Sewage pumping station replacement programme					120,000	120,000	120,000	Many of our sewage pumping stations are reaching the end of their lifecycles and are in need of replacement. The programme is aimed at replacing 2 stations per annum based on estimated costs received from our existing contractor of £60,000 per station. This bid covers SDC funding all works pending a report to assess if we fully fund or recharge private owners connected	Perm	Major Repairs Reserve
Net Cost of Bid		0	0	0	120,000	120,000	120,000			
Total Value of new HRA Bids		10,000	12,500	20,000	1,644,400	1,255,600	1,205,600			

Funding	19/20	20/21	21/22	19/20	20/21	21/22
Revenue	10,000	12,500	20,000			
Capital Receipts						
HRA Major Repairs Reserve				1,644,400	1,255,600	1,205,600
	10,000	12,500	20,000	1,644,400	1,255,600	1,205,600

Description	Strategic Theme / Priority	Revenue			Capital			Comments	Term	Funding
		19/20	20/21	21/22	19/20	20/21	21/22			

Savings Plan

Strategic Category	Lead	General Fund - Potential Saving	2018/19 Forecast £000's	2019/20 Target £000's	2020/21 Target £000's	2021/22 Target £000's	Update/Comments
Growing resources	Leadership Team	Income generation	0	12	120	185	Proposals to be considered for 2019/20 including a 1.5% increase above standard rates of inflation on some existing discretionary income where considered appropriate. Further opportunities to be identified for 2020/21 onwards.
Growing resources	Julie Slatter	Asset rationalisation - Ex Profiles Gym	14	28	28	28	Ex Profiles Gym let to a charity for a term to early 2020 then rolling annually thereafter.
Growing resources	Julie Slatter	Asset rationalisation - Market Cross	0	48.5	97	97	Achieving this saving is dependent upon the contact centre move from Market Cross. This will require redevelopment of the Civic Centre to accommodate and finding a tenant to replace us. This remains under discussion but works are unlikely to be completed in the current financial year and this savings plan assumes the move happening half way through 2019/20. Police co-location is now expected in February 2019, this saving reflects the new rent level following negotiations.
Growing resources	Dave Caulfield	New SDHT Loans	1.3	100	100	100	Loans currently made to the Selby District Housing Trust will generate £18.3k of interest returns in 2018/19. From 19/20 loans include Riccall, Ulleskelf, and Ousegate. 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. Targets will be updated as new loans are approved.
Growing resources	Dave Caulfield	Commercial property acquisition	0	50	100	250	The current programme for growth has £3.5m earmarked for commercial property acquisition which will generate a direct return on investment. At this level, a return of circa 7% would be required on these acquisitions to achieve the full £250k target. Current market conditions suggest that this level of return is unlikely in the short to medium term. Two former bank buildings have been purchased and plans for their redevelopment are in progress - together these are targeted to achieve £100k of net income per annum. In order to achieve the £250k target it is likely that additional investment funds would be needed but this will be kept under review as the programme moves through delivery. Indicatively with a return of 4%-5%, a further £1.5m - £3m invested would be needed to achieve the £250k return in 20/21. Progress will be monitored as projects are delivered - subject to availability and should it be considered beneficial to increase the funds available for investment, a business case would be brought for consideration.

Strategic Category	Lead	General Fund - Potential Saving	2018/19 Forecast £000's	2019/20 Target £000's	2020/21 Target £000's	2021/22 Target £000's	Update/Comments
Growing resources	Dave Caulfield	Business Rates Growth	0	0	100	200	The Economic Development team will deliver the Council's Economic Development Strategy and proactively foster new inward investment and indigenous business growth. This is however high risk due to uncertainties regarding the BRR system reset from 20/21. This cautious target assumes that the reset brings the Council out of its current safety net position and enables modest year on year growth to be realised. The pipeline of business growth forecast through the Economic Development Framework suggests significant opportunities ahead but the level of funding that will ultimately delivered to the Council is subject to the future Local Government financing system. Post the system reset and next spending review, a clearer forecast of the potential for this income will be established.
Growing resources	Karen Iveson	Property Fund Investment	0	200	200	200	Investment of £5m in 2 property funds at an estimated net return of 4% p.a. - actual returns subject to fund performance. Funds placed at the end of October 2018. 2018/19 returns offset by entry fees.
Growing resources	Karen Iveson	Increase cap on investment income - NEW	0	50	50	50	£300k cap included in MTFs - potential to reassess and increase if outlook for interest rates remains high but reducing balances will counteract so this brings some risk. Balances and expected rates for 2019/20 suggest that this is low risk for that year. Thereafter this will be kept under review and confirmed as cashflow forecasts are updated and interest rates are known.
Total Growing Resources			15.3	488.5	795	1110	
Transforming	Leadership Team	Process improvements /on-line transactions	42.5	200	250	300	Channel shift project on track with PID and funding approved and additional savings identified for delivery in next two years. Quick wins already being delivered in phase 1 with implementation of Revs & Bens online forms - latest information shows half of all new benefit claims being made online. The new housing/asset management system will be fully implemented by early 19/20 with online self-serve functionality for tenants. Potential savings are currently being collated but the savings remain at risk until these are confirmed. Savings expected from changes in DR arrangements, new Licensing System, roll out of tablet devices and modern.gov software for councillors and IDOX environmental health system. Project brief for 'Digital Workforce Project' to support a more flexible and mobile workforce currently being developed. The savings represent approximately 12 FTE most of which should be achievable through natural turnover. Should there be transition costs the Spend to Save Reserve remains available to cover such costs.
Transforming	Dave Caulfield	Planning service review	60	100	100	100	This saving, which was targeted to achieve £200k by 2018/19, has been reviewed following the Government's increase of planning fees and with it the requirement to reinvest in the service. Some internal efficiencies have been achieved in 2018/19 and further are planned for 2019/20.

Strategic Category	Lead	General Fund - Potential Saving	2018/19 Forecast £000's	2019/20 Target £000's	2020/21 Target £000's	2021/22 Target £000's	Update/Comments
Transforming	Dave Caulfield	Planning service review			100	100	This saving is part of the planning service review above - longer term savings require benefits to be realised from the Enterprise system.
Total Transforming			102.5	300	450	500	
Commissioning	Julie Slatter	Environmental contract		40	40	40	The Environmental service contract could deliver savings but this would be dependent on approval for changes to the provision of clinical waste. A report on options will be brought forward for consideration by the Executive.
Commissioning	Julie Slatter	Procurement partnership		12	12	12	Selby is exiting the North Yorkshire Procurement Partnership from April 2019, which will achieve £12k saving in the general fund. Approved by the Executive 4/10/2018.
Collaboration	Julie Slatter	Work carried out for third parties	30	30	30	30	Work for another District Council has been agreed and at present is expected to continue.
Commissioning	Julie Slatter	Contract renewals		10	20	20	A saving is expected from five contract renewals due in 19/20.
Total Collaboration & Commissioning			30	92	102	102	
Technical/housekeeping	Karen Iveson	Remove contributions to pension reserve - NEW	0	100	100	100	This mitigates above inflationary rises in future pension contributions - risk to be managed within base budget from 2019/20
Technical/housekeeping	Karen Iveson	Reduce contingencies - NEW	0	160	160	160	£260k is included in the revenue budget to cover unforeseen items - £110k for operational items and £150k for additional commissions from the Executive. This option would reduce the operational contingency to £100k (the minimum advisable for operational purposes) and draw down funding from the Contingency reserve for additional Executive Commissions as part of the annual budget process. The Contingency reserve would be topped up through windfalls/in-year surpluses.
Total Technical/Housekeeping			0	260	260	260	
To be delivered not budgeted			148	1,141	1,607	1,972	

HRA - Potential Saving	2018/19 Forecast £000's	2019/20 Target £000's	2020/21 Target £000's	2021/22 Target £000's	Update/Comments
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Strategic Category	Lead	General Fund - Potential Saving	2018/19 Forecast £000's	2019/20 Target £000's	2020/21 Target £000's	2021/22 Target £000's	Update/Comments
		Process improvements /on-line transactions	0	194	194	194	The new housing/asset management system will be fully implemented by early 19/20 with online self-serve functionality for tenants and streamlined back office processes. Potential savings are currently being collated but the savings remain at risk until these are confirmed. Project brief for 'Digital Workforce Project' to support a more flexible and mobile workforce currently being developed.
		Commissioning & collaboration	0	8	8	8	Further saving still to be identified.
		NYCC Procurement Partnership		12	12	12	Selby is exiting the North Yorkshire Procurement Partnership from April 2019, which will achieve £12k saving in the general fund. Approved by the Executive 4/10/2018.
		To be delivered not budgeted	-	214	214	214	

2019/20 – 2021/22 GENERAL FUND CAPITAL PROGRAMME

	Estimated Programme 2019/20 £	Estimated Programme 2020/21 £	Estimated Programme 2021/22 £
<u>PROJECTS</u>			
Asset Management Plan Leisure Centres & Park	19,002	75,998	825
Enhancement of Car Parks	300,000		
<u>New Bids</u>			
Transforming Customer Services	110,000		
Industrial Unit Improvement Programme	50,000	50,000	50,000
Works to South Milford Retaining Wall	15,000		
Housing Development (Loans to SDHT)	7,694,300		
<u>Grants</u>			
Disabled Facilities Grants	346,958	346,958	346,958
Repair Assistance Loans	30,000	30,000	
<u>ICT Hardware & Systems Within ICT Strategy</u>			
Virtual Servers, Software & Storage	25,000		
Northgate Benefits & Taxation system development	15,000	15,000	15,000
Disaster Recovery Improvements	20,000		
Microsoft Licensing	85,000	85,000	85,000
Laptop Refresh	40,000	33,000	49,500
<u>New bids</u>			
Civica Pay	36,100		
Microphone System	40,000		
Implementation & Infrastructure Costs	261,100	133,000	149,500
Mobile Working Solution / Digital Workforce	60,000	16,000	
TOTAL	8,886,360	651,956	547,283
<u>SUMMARY OF FUNDING</u>			
Capital Receipts	30,000	30,000	
Grants & Contributions	346,958	346,958	346,958
Reserves	815,102	274,998	200,325
S106 Commuted Sums	220,000		
Borrowing	7,474,300		
TOTAL	8,886,360	651,956	547,283

2019/20 – 2021/22 HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME

PROJECTS	Estimated Programme 2019/20 £	Estimated Programme 2020/21 £	Estimated Programme 2021/22 £
PROJECTS			
<u>Current Projects</u>			
Electrical Rewires	240,000	240,000	240,000
Central Heating - Gas	470,000	470,000	470,000
Central Heating - Solid Fuel	75,000	75,000	75,000
Roof Replacements	400,000		
Damp Surveys & Works	220,000	220,000	220,000
Door & Window Replacements	120,000	120,000	120,000
Kitchen Replacements	130,000	130,000	130,000
Pre Paint & Cyclical Repairs	160,000	160,000	160,000
Void Property Repairs	145,000	145,000	145,000
Fencing & Gates	40,000	40,000	40,000
Bathroom Replacements	30,000	30,000	30,000
Pointing Works	300,000	300,000	300,000
<u>New Projects</u>			
Community Centre Refurbishment	30,000		
Sheltered Homes Adaption	165,000	150,000	
Empty Homes Programme	700,000	700,000	
Estate Enhancements	100,000		
St Wilfrids Court Refurbishment	100,000		
New Build Projects	2,280,000		
<u>New Bids</u>			
Fire Risk Assessments	100,000	50,000	
Asbestos Assessments	120,000	120,000	120,000
Door Replacements	37,600	37,600	37,600
Window Replacements	333,300	333,300	333,300
Kitchen Replacements	50,000	50,000	50,000
Bathroom Replacements	104,400	104,400	104,400
Co Detection Installation Programme	226,600		
Co Detection Replacement Programme		37,800	37,800
Communal Area Refurbishment Programme	230,000	230,000	230,000
Footpath Repairs	172,500	172,500	172,500
Energy Efficiency Programme	150,000		
Sewage Pumping Station Replacement Programme	120,000	120,000	120,000
TOTAL	7,349,400	4,035,600	3,135,600
SUMMARY OF FUNDING			
Revenue Contributions	4,369,400	3,335,600	3,135,600
Borrowing	1,900,000		
Capital Receipts	340,000	280,000	
HCA Grant Funding	210,000	210,000	
S.106 Commuted Sums - affordable housing subsidy	530,000	210,000	
TOTAL	7,349,400	4,035,600	3,135,600

Programme for Growth Project Updates

Project	Lead Officer	Budget £	Position @ 30 November 2018			Update
			Spend to date £	Forecast £	Full Term Forecast Variance £	
Healthy Living Concepts Fund	Angela Crossland	82,176	385	82,176	0	Developing scope for health initiatives to tackle local health priorities in line with health action plan. Projects likely to include active travel and family engagement activities in line with IHL. Further year of available spend on agreed budget- multi-year project.
Visitor Economy (Tourism & Culture)	Angela Crossland	542,193	22,331	542,193	0	Recruitment to Culture, Visitor and Creative Economy Manager post and Tourism Development Officer post completed. Awaiting starts end September. Workstream Interdependent with Selby 950 planning. Multi-year project
Celebrating Selby 950	Angela Crossland	200,000	0	200,000	0	£150k allocated for potential TdY stage. Awaiting decision. Selby 950 steering group in place with key contributing partners. Schedule of events in development. Project on target.
Retail Experience - Tadcaster Linear Park	Angela Crossland	160,003	9,150	160,003	0	Awaiting fee proposal from Amey PLC to complete schedule of works. Also expecting to draw down grant from YorVenture (£27k). Current forecast for project is above the budget allocation although work is underway to mitigate this.
Growing Enterprise	Iain Brown	111,761	-4,135	76,761	-35,000	Match funding contributions paid to EU Leeds City Region business support programmes - AD:Venture & Digital Enterprise. Phase 2 of the programme is scheduled to be discussed end July'18 with LCR (current programme runs to June '19). year 2 contract of LCR Growth Programme has been signed which contributes 25% of the salary for the Business Growth Adviser role (£8,500pa)
Marketing Selby's USP	Mike James	78,108	27,801	78,108	0	First priority has been to create the series of 'case studies' that tell the story of the district. These are based on the issues businesses themselves have said are reasons for their success in the district, as well as data gathered as part of the development of the new Economic Development Framework. We have 20 case studies in the initial batch, in which we focus on an existing business in the district and link this back to a specific business or quality of life issue on our list of 'key messages'. Feedback from business is that this will work best if the material sits within an independent place brand, rather than this just being linked back to the brand of the Council: this is about branding the place, rather than branding a single organisation. Creating a brand concept has, therefore, become part of the overall project. We're working on the concept of branding the area as being 'at the heart of Yorkshire', as this helps to tell the story of our connectivity (a key business attribute) as well as helping to create an emotional connection: if we're to influence perceptions then we need to develop this type of emotional connection. 500 copies of the Heart of Yorkshire book produced and proceeds from the sale to be reimbursed to the project.
Retail Experience - STEP	Angela Crossland	108,340	30,167	108,340	0	Commission in place to develop public realm work. Due for completion Summer 2018. Scoping town centre coordination role. Projected completion of spend this financial year.

Project	Lead Officer	Budget £	Spend to date £	Forecast £	Full Term Forecast Variance £	Update
Towns Masterplanning (Regeneration)	Angela Crossland	150,000	0	120,000	-30,000	Brief in draft for approval to next stage. Brief to include 2 phases of approach. Phase 1 - stakeholder and literature review of work/data to date. Phase 2 deliverables plan.
Strategic Sites Masterplanning	Iain Brown	246,613	0	200,613	-46,000	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, improvements to the area around the railway station in Selby and the Crosshills site.
Access to Employment	Iain Brown	100,000	0	40,000	-60,000	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. Collaboration managed by ED between Arriva, WYCA, and Sherburn based businesses is close to a transport solution to improve scheduled transport solutions. The option for SDC to underwrite short term risk is being considered if necessary to achieve a collective agreement between all stakeholders.
Green Energy	Iain Brown	50,000	0	0	-50,000	The work is currently on hold until a major study has been completed by the YNYER LEP to determine the regions long term energy strategy.
Church Fenton Studios	Iain Brown	300,000	0	0	-300,000	Collaboration in a stakeholder sector study project currently being developed. No other specific activity in support of the CF development will be committed until the outcome of the consultants report is know. Total project costs forecast to be £70K shared between partners.
Business Space & Accommodation Review	Iain Brown	17,152	0	0	-17,152	Licence fee due Q3 (£4k) we will review cost/benefits ahead of next years subscription. Further professional reporting may be required to support future investment in Commercial acquisitions.
Empty Homes	June Rothwell Simon Parkinson	115,475	13,538	115,475	0	Delivery of the Empty Homes Action Plan has resulted in 18 properties being brought back into use during 2017/18. All owners of empty properties have been identified and owners have been contacted. Work is progressing, with the 'top twenty' empty properties we provide advice, assistance through the recently approved private sector assistance scheme and to purchase either voluntarily or through CPO properties. A bid has been submitted to the HCA for grant contribution to assist with the purchase of 10 properties
Selby District Housing Trust	Iain Brown	38,300	680	38,300	0	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. Discussions required with SDHT to support SDHTs role in the more ambitious HDP approved by Executive in January 2018.
Stepping Up' Housing Delivery	Iain Brown	49,862	10,365	24,862	-25,000	The Project will support the implementation of the Housing Development Programme approved by the Executive in January 2018, by working as a facilitator with the private sector to unlock sites for mixed tenure housing development.

Project	Lead Officer	Budget £	Spend to date £	Forecast £	Full Term Forecast Variance £	Update
Olympia Park	Iain Brown	435,000	70,115	435,000	0	The Council has submitted a significant (circa £9m) funding application to the Homes & Communities Agency through their 'Housing Infrastructure Fund'. A decision on this is expected in July 2018 -this will clarify the potential use of this funding in 2018-19 but there is already committed expenditure in relation to the engagement of external legal and property advisers, the employment of a project manager to drive the site forward and contributions towards survey work
Making our Assets work	Iain Brown	230,000	6,475	180,000	-50,000	The budget is targeted at funding due diligence work to bring the Council's assets to the market. These include small garage sites, Portholme Road, Edgerton Lodge, Barlby Road depot and Bondgate. The Executive has recently authorised the former Barlby Road Depot site to be marketed for employment use.
Commercial property acquisition fund	Gill Marshall / Iain Brown	3,500,000	453,408	3,500,000	0	Offers for both the NatWest Bank at Tadcaster and Selby have been accepted. The purchase of Tadcaster was completed 10/08/18. The opportunity to acquire two industrial units is being developed and will be considered subject to the business case delivering an appropriate return and meeting all criteria.
High Street shop fronts	Angela Crossland	100,000	0	100,000	0	Scope in place and workshop arranged with Heritage England to explore Heritage Action Zone and impact on design. Initiative also interdependent with towns brief. Fund allocated to spend within next 2 financial years and as such £50k is to be carried forward to support year 2.
New lane - Public Realm	Iain Brown	230,000	0	200,000	-30,000	This project has been delayed. The budget forecasts have been reduced for 2018/19 to reflect this until timelines are determined.
Allocated		6,844,983	640,280	6,201,831	-643,152	

P4G Budget Position	£'000
P4G Investment Fund Fund - Per MTF5	10,934
Less Spend to Date	-666
	10,268
Existing P4G & Carried Forward Projects	6,845
HDP Feasibility & SDHT Support Post	251
Balance Before Salaries	3,172
P4G Salaries 17/18	635
P4G Salaries 18/19 (Forecast)	988
Remaining Salaries	1,377
P4G Contingency	172

Reserve Balances 2018 - 2021

Description	Estimated Balance 31 March 18 £	Use £	Transfers £	Contribs £	Estimated Balance 31 March 19 £	Use £	Contribs £	Estimated Balance 31 March 20 £	Use £	Contribs £	Estimated Balance 31 March 21 £	Use £	Contribs £	Estimated Balance 31 March 22 £	Comments
Revenue Reserves															
General Fund															
Reserves to fund future commitments:															
PFI Scheme	3,643,442	- 418,430		292,169	3,517,181	- 426,788	295,156	3,385,549	- 435,323	302,759	3,252,985	- 444,030	309,672	3,118,627	
ICT	573,571	- 1,068,272	500,000	191,000	196,299	- 321,100	191,000	66,199	- 149,000	191,000	108,199	- 149,500	191,000	149,699	
Asset Management	1,004,960	- 1,057,848	250,000	200,000	397,112	- 497,002	200,000	100,110	- 128,998	200,000	171,112	- 53,825	200,000	317,287	Future commitments require top up of £250k
Election	113,934			34,000	147,934	- 136,000	34,000	45,934		34,000	79,934		38,000	117,934	
	5,335,908	- 2,544,550	750,000	717,169	4,258,527	- 1,380,890	720,156	3,597,793	- 713,321	727,759	3,612,231	- 647,355	738,672	3,703,548	
Reserves to fund growth and improvement:															
Special Projects/Unallocated	-	- 5,000,000		5,000,000	-		4,192,250	4,192,250			4,192,250			4,192,250	Assumes £5m of renewable energy income is allocated to Property Funds in 2018/19 and remainder to BRER to support savings plan. Subject to confirmation of receipts in 2019/20 the remainder of renewable energy receipts (after £3.2m is held in BRER to support the revenue budget and £25k is allocated to P4G), is available for allocation.
Special Projects / Programme for Growth	7,307,569	- 7,499,598		880,000	687,971	- 1,066,745	1,273,414	894,640	- 594,820		299,820	- 299,820		-	P4G resources/spend 2018/19 to 2019/20 = £9.461m
S106 Affordable Housing Commuted Sums	3,490,610	- 1,098,940		1,218,744	3,610,414	- 750,000	2,437,488	5,297,902	- 210,000	1,223,266	6,311,168			6,311,168	Funds ring-fenced and spend subject to progress on housing developments
Discretionary Rate Relief Fund	268,492	- 100,000			168,492			168,492			168,492			168,492	
NYCC Collaboration	50,000				50,000			50,000			50,000			50,000	
Spend To Save (Business Development)	498,452	- 313,924	150,000		334,528			334,528			334,528			334,528	
	11,615,123	- 9,012,462	150,000	2,098,744	4,851,405	- 1,816,745	7,903,152	6,745,562	- 804,820	1,223,266	7,164,008	- 299,820	-	6,864,188	
Reserves to mitigate financial risk:															
Pensions Equalisation Reserve	741,643		750,000	100,000	91,643		100,000	191,643		100,000	291,643		100,000	391,643	
Business Rates Equalisation	1,604,415	- 845,751		2,804,000	3,562,664		3,383,385	6,946,049	- 745,349		6,200,700	- 293,504		5,907,196	Resources held to support revenue budget to 2021/22 - drawdown is subject to savings delivery
Local Plan	550,231	- 479,360	250,000	50,000	370,871	- 97,500	50,000	323,371	- 167,500	50,000	205,871		50,000	255,871	
Contingency	497,600	-	250,000		247,600			247,600			247,600			247,600	
General Fund	1,653,222	- 150,000			1,503,222			1,503,222			1,503,222			1,503,222	Minimum working balance £1.5m
	5,047,111	- 1,325,111	900,000	2,954,000	5,776,000	- 97,500	3,533,385	9,211,885	- 912,849	150,000	8,449,036	- 293,504	150,000	8,305,532	
Total GF Revenue reserves	21,998,142	- 12,882,123	-	5,769,913	14,885,932	- 3,295,135	12,156,693	19,555,240	- 2,430,990	2,101,025	19,225,275	- 1,240,679	888,672	18,873,268	
HRA															
HRA Unallocated Balance	2,266,697				2,266,697			2,266,697			2,266,697			2,266,697	
C/fwd Budgets (HRA)	1,651,796	- 1,651,796			-			-			-			-	
Major Repairs Reserve - Capital Programme	4,330,024	- 3,922,796		3,070,443	3,477,671	- 4,369,400	3,004,680	2,112,951	- 3,335,600	3,567,206	2,344,557	- 3,135,600	3,822,192	3,031,149	
Sub Total	8,248,517	- 5,574,592	-	3,070,443	5,744,368	- 4,369,400	3,004,680	4,379,648	- 3,335,600	3,567,206	4,611,254	- 3,135,600	3,822,192	5,297,846	
Total Revenue Reserves	30,246,659	- 18,456,715	-	8,840,356	20,630,300	- 7,664,535	15,161,373	23,934,888	- 5,766,590	5,668,231	23,836,529	- 4,376,279	4,710,864	24,171,114	
Capital Reserves															
General Fund Receipts (after P4G removed)	1,220,043				1,220,043			1,220,043			1,220,043			1,220,043	
HRA Receipts	3,205,327	- 625,000		500,000	3,080,327	- 370,000	500,000	3,210,327	- 310,000	500,000	3,400,327		500,000	3,900,327	
Other Capital Receipts	493,000	- 325,000			168,000			168,000			168,000			168,000	
Capital Receipts (HRA Reserved)	23,205	- 253,205		230,000	0	- 250,000	250,000	0			0			0	
Total GF Capital Receipts	4,941,575	- 1,203,205	-	730,000	4,468,370	- 620,000	750,000	4,598,370	- 310,000	500,000	4,788,370	-	500,000	5,288,370	



Report Reference Number: E/14/41

To: Executive
Date: 10 January 2019
Status: Non Key Decision
Ward(s) Affected: All
Author: Palbinder Mann, Democratic Services Manager
Lead Executive Member: Councillor Mark Crane, Leader of the Council
Lead Officer: Janet Waggott, Chief Executive

Title: Annual Review of the Constitution

Summary:

As part of the preparations for Annual Council a review of the Constitution is undertaken to ensure it is up to date and fit for purpose.

This report highlights the proposed changes to the Constitution and asks Executive to refer them for consideration at the Audit and Governance Committee before they are presented to Council for approval.

Recommendations:

- i. That Executive endorses the proposed changes and ask Audit and Governance to consider and report on the changes before they are considered by full Council.

Reasons for recommendation

To ensure the constitution is up to date and fit for purpose.

1. Introduction and background

1.1 The constitution is a key document in the Corporate Governance Framework of the Council. The two overarching principles of good governance as set out in the CIPFA code are

- Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law
- Ensuring openness and comprehensive stakeholder engagement.

- 1.2 A review is undertaken of the Constitution on an Annual basis to consider whether there are any changes required as a result of legislative change, any recommendations from internal or external auditors or in the light of experience and best practice.
- 1.3 Under Article 15 of the Constitution responsibility for the review lies with the Monitoring Officer. Changes will only be approved by the Council after consideration of proposals by the Executive taking into account the advice of the Chief Executive or the Monitoring Officer. This report constitutes that advice.
- 1.4 It is also within the Terms of Reference of the Audit and Governance Committee to monitor and report on the effectiveness of the Constitution.

2. The Proposals

- 2.1 The review has been undertaken by relevant officers across the Council and considered by the corporate leadership team. The review has considered any changes to legislation, recommendations of audit and best practice. Any changes proposed seek to strike a balance between ensuring that powers are available to use to deliver the Corporate Plan in a timely way whilst ensuring that decision making is open and transparent and subject to appropriate levels of oversight and scrutiny.
- 2.2 The table at Appendix A sets out the results of the review and the proposed changes. Appendices B and C set out the revised Financial Procedure Rules and Contract Procedure Rules in full. These have been amended in consultation with the Chief Finance Officer and the Head of Commissioning, Contracts and Procurement respectively.
- 2.3 Subject to the Executive approving the recommendations in this report, the proposed timetable is as follows

10 Jan 2019	Executive
30 Jan 2019	Audit and Governance
7 Feb 2019	Executive (if there are substantial changes proposed by the Audit and Governance Committee)
TBC March 2019	Council

- 2.4 Unless any other operative date is specified, any changes that are proposed are effective from the date of the next Council meeting following the date of the decision to effect the change.

3. Alternative Options Considered

Not to make any changes. However this would not ensure that the Constitution is fit for purpose.

4. Implications

4.1 Legal Implications

A local authority is under a duty to prepare and keep up to date its constitution under the Local Government Act 2000 as amended.

4.2 Financial Implications

None

4.3 Policy and Risk Implications

If the Constitution is not up to date there is a risk that decisions will not be made on a lawful basis.

4.4 Corporate Plan Implications

The proposed changes enable delivery of the Corporate Plan and other Council policies in a timely manner striking a suitable balance between delivery and transparency.

4.5 Resource Implications

None.

4.6 Other Implications

None

4.7 Equalities Impact Assessment

Not required

5. Conclusion

- 5.1** The amendments proposed will ensure delivery of priorities in an open and transparent manner and will enable delivery of Corporate objectives.

6. Background Documents

None

7. Appendices

Appendix A – summary of proposed changes
Appendix B – revised Financial Procedure Rules
Appendix C – revised Contract Procedure Rules

Contact Officer:

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Section	Reviewer	Comment
Summary and Explanation	Dem Services	General update to be made to reflect any substantive changes.
Articles	Dem Services	<p>General update to be made to reflect any substantive changes</p> <p>Remove Sustainable Community Strategy and Community Safety Partnership Plan from the Policy Framework List in Article 4 as these are County responsibilities.</p>
Responsibility for functions	MO/legal	<p>Amend the Terms of Reference for Policy Review Committee to clarify that they can consider proposed new Council policy documents as well as scrutinising existing policies.</p> <p>In 2016/17 an Internal Audit Report found that the council's scheme of delegation does not require that proposals submitted by or on behalf of the authority for its own developments or on its owned land are determined by Planning Committee. Without such a provision, there is potentially a lack of governance around conflicts of interest.</p> <p>It is proposed that the Specific Officer Delegations for Non Executive (council) functions with respect to Planning and Development Management be amended to require that applications submitted for determination by or on behalf of the authority for its own developments or on its owned land are presented to Planning Committee unless they are 'minor applications' and no objections have been received</p> <p>Clarify insurance arrangements as responsibility for different aspects sit between Directors, the Chief Finance Officer and the Solicitor.</p>

Council Rules of Procedure	Dem Services	Minor wording changes for clarity and updates to reflect current practice. Confirm that rules 15.1 and 15.6 (a) do not apply to the Planning Committee (these rules are currently suspended by the Committee at each meeting).
Access to Info Procedure Rules	Dem Services	Add in a section to ensure records are kept of any decisions taken by Individual Executive Members. Minor wording changes for clarity and updates to reflect current practice.
Budget and Policy Framework Rules	Dem Services	Minor wording changes for clarity and updates to reflect current practice.
Executive Procedure Rules	Dem Services	Minor wording changes for clarity and updates to reflect current practice.
Overview and Scrutiny Rules	Dem Services	Changes made in year as part of Scrutiny Review.
CEF Procedure Rules	Dem Services/Head of Service	Minor wording changes for clarity and updates to reflect current practice.
Petitions Procedure Rules	Dem Services	Consider whether this is still required. Could we replace with a scheme that allows petitions without being part of the constitution?
Financial procedure rules	MO/S151	Changes proposed in property disposal rules to remove acquisitions and utilise capital scheme rules with a guidance for acquisitions Grant claim rules to be looked at with view to delegations to Directors. Revised version being drafted by s151 Officer and will be attached at Appendix B for formal executive.
Contract procedure rules	HOS Commissioning, Contracts and Procurement	Wording changes for clarity and updates to reflect current practice. Revised version being drafted by K Cadman and will be attached at Appendix B for formal executive.

Officer Employment Procedure Rules	MO	No changes needed.
Councillor Code of Conduct	MO	No changes proposed although there is a potential for changes to be required in future if national legislation changes.
Standards Arrangements	MO	No changes proposed although there is a potential for changes to be required in future if national legislation changes.
Protocol on Councillor/Officer Relations	MO	No changes needed.
Councillor Consultative Charter	MO	No changes needed.
Officer Code of Conduct	MO/HR	Minor wording changes for clarity and updates to reflect current practice.
Planning Code of Conduct	MO/HOS Planning/ Chair of Planning	Item 4 of the Planning Committee Agenda- Suspension of Council Procedure Rules be incorporated into the Code to save having to agree at each meeting to suspend Council Procedure Rules 15.1 and 15.6 (a) for the duration of the meeting. Minor wording changes for clarity and updates to reflect current practice.
Licensing Code of Conduct	MO/Licensing Manager/Chair of Licensing	No changes proposed.
Protocol on filming/recording meetings	Dem Services	No changes required.
CEF Code of Conduct	Dem Services/Head of Service Customers, Partnerships and Communities	Minor wording changes for clarity and updates to reflect current practice.
Members Allowances Scheme	Dem Services	Updates to reflect any changes.
Management Structure	Dem Services	Updates to reflect any changes.

FINANCIAL PROCEDURE RULES – Appendix B

Introduction

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

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

Section 151 of the Local Government Act 1972 requires that:

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

The Chief Finance Officer (Selby District Council/Assistant Director Strategic Resources (North Yorkshire County Council) is appointed for the purposes of Section 151. He/she shall also be responsible for maintaining a continuous review of these Rules and submitting any recommendations for additions or changes necessary to the Executive for approval. He/she shall also be responsible for reporting, where appropriate, breaches of the Rules to the Council and/or Executive.'

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

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

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

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

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

to action.

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

1. Revenue Expenditure

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

- (h) Proposals to carry forward any underspends shall be approved by the Executive.

2. Capital Expenditure

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

3. Monitoring and control of revenue and capital expenditure

Quarterly exception reports covering both revenue and capital expenditure and income shall be submitted to the Executive in a form approved by the Chief Finance Officer.

4. Virement

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

5. Asset Register

- (a) An Asset Register is maintained by the Chief Finance Officer for the management of the Council's fixed asset accounting. A desktop review of the register is carried out annually and a full review is carried out every 5 years by an independent valuer.
- (b) An asset for inclusion in the Register is defined as a fixed asset, over a value of £10,000 and with a life and use of over one year.
- (c) Assets are adjusted, where appropriate, for depreciation and where

repairs and maintenance expenditure materially adds to the life of the asset.

- (d) It is the responsibility of the Chief Executive, Statutory Officers and Directors to immediately notify any amendments, deletions or additions to the Chief Finance Officer – and provide any information or evidence required. This is also required for insurance purposes.

6. Disposal of Land and Capital Assets

(a) Definitions

- (i) 'Land transaction' means the ~~acquisition or~~ disposal of, or other dealing with land whether or not buildings, plant and equipment, fixtures and fittings, or other assets are included in that transaction.
- (ii) 'Major disposal' means a land transaction which consists of either a disposal of the freehold where the consideration exceeds ~~£50,149,000,999~~, or the grant of lease for more than 7 years or where the rent exceeds ~~£20,000,49,999~~ per annum or where the premium exceeds ~~£50,000,149,999~~.
- (iv) 'Best Consideration' is a principle established by s.123 of the Local Government Act 1972 but has since been extended to allow authorities to dispose of land at less than 'best consideration' subject to it being for certain specific uses, e.g. economic and social well-being. A discount of up to £2 million could be given if justified.

(b) Approval of major disposals

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

- Specify the land to be disposed of.
- Confirm whether that land has been declared surplus to the Council's requirements.
- Advise upon the proposed method of disposal, and provide the reasons for selecting that method.
- In matters where the Council must achieve best consideration, confirm that the proposed method of disposal which has been selected is most likely to achieve this.
- In matters where it is proposed that the disposal should be for less than best consideration, give reasons for and against seeking best consideration and following

consultation with the Solicitor to the Council, specify the relevant legal powers of the Council to accept less than best consideration.

- (c) Dealing with formal tenders and offers
 - (i) Tenders and offers shall be opened at one time by an officer nominated by the appropriate Director, and the names of tenderers/offers, and the amounts of tenders/offers shall be recorded in a register kept by the Solicitor to the Council. Persons present at the opening of tenders/offers shall record their presence by signing the register against the specified details. Tenders/offers must be opened by the nominated officer and witnessed by a Statutory Officer or Director or his/her nominated representative. Alterations/errors in tenders/offers and later or otherwise invalid tenders/offers shall be dealt with in consultation with the Solicitor to the Council.
 - (ii) Where there are alterations/errors, or where a tender or offer is received late, or is otherwise invalid, and the relevant Director, in consultation with the Solicitor to the Council, is minded to recommend acceptance, the Director should record the reasons for doing so. All tenderers/offers should be given the opportunity to resubmit their tenders/offers within a given timescale wherever, in the opinion of the relevant Director, it is possible that other tenderers/offers will otherwise be prejudiced.
- (d) Disposals by auction
 - (i) In disposals where the approved method of disposal is by auction, at least 3 auctioneers approved by the relevant Director must be invited to provide a written quotation as to commission and associated disposal costs and the quote offering best value must be selected by the Director. This provision may be waived by agreement of a Chief Officer in the case of specialist items.
 - (ii) A 'reserve price' must be set by the relevant Director in consultation with the Chief Finance Officer (and will be based on an independent valuation). The reserve price must be disclosed only to the auctioneer and the Council's representative attending the auction.
- (e) Approval of land transactions other than major disposals and disposals of other capital assets
 - (i) The principal terms of land transactions other than major disposals and disposals of other capital assets (except where the method of disposal is by way of auction) must be approved by the relevant Director in consultation with the Chief Finance

Officer.

- (ii) The decision record must include details of estimated proceeds and their application.
 - (iii) If the proposal represents less than best consideration then following consultation with the Solicitor to the Council the decision record must specify the relevant legal powers of the Council to accept less than best consideration.
- (f) Formalities
- (i) All contracts and other documentation entered into pursuant to all land transactions shall be in writing, and shall be signed or sealed as appropriate.

7. Inventories

- (a) Each Director shall prepare and keep up-to-date an inventory, wherein shall be recorded an adequate description of moveable plant and machinery, transport, furniture, fittings and equipment, office machinery and similar property belonging to the Council and under his/her control. The form in which the inventories shall be kept and the extent to which property shall be recorded is to be determined by the appropriate Director with the concurrence of the Chief Finance Officer.
- (b) Each Director shall be responsible for maintaining an annual check of all items of the inventory, for taking action in relation to surpluses or deficiencies and noting the inventory accordingly.
- (c) The Council's property shall be marked as property of the Council and shall not be removed otherwise than in accordance with the ordinary course of the Council's business or used otherwise than for the Council's purposes except in accordance with specific directions issued by the Director concerned.
- (d) The Chief Finance Officer or his/her representative may at all reasonable times have access to all such property of the Council and may make such checks and tests as he/she deems reasonable.
- (e) Responsibility for the inventory of all computer hardware and software shall lie with the ~~Director of Corporate Services-Chief Finance Officer~~.
- (f) Inventories shall be reviewed from time to time by Directors in consultation with the Chief Finance Officer for the consideration of arrangements for custody and adequate insurance cover.

8. Borrowing

- (a) The Chief Finance Officer operation of the Council's borrowing shall be

subject to compliance with the CIPFA Code of Practice on Treasury Management, the Council's Treasury Management Policy Statement and Strategy and the Prudential Code for Capital Investment in Local Authorities.

9. Insurances

- (a) Chief Finance Officer shall effect all insurance cover and ~~negotiate~~ agree all claims in consultation with other Directors where necessary.
- (b) Directors shall give prompt notification to the Chief Finance Officer of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- (c) Directors shall forthwith notify the Chief Finance Officer in writing of any loss, liability or damage or any event likely to lead to a claim and inform the Police if necessary.
- (d) All appropriate employees and volunteers of the Council shall be included in a suitable fidelity guarantee insurance.
- (e) The Chief Finance Officer shall annually, or at such other period as he/she may consider necessary, review all insurances in consultation with other Directors as appropriate.
- (f) Directors shall consult the Chief Finance Officer concerning the terms of any indemnity which the Council is requested to give.
- (g) Directors shall notify the Chief Finance Officer in advance of the acquisition of assets or at the onset of new risks which are likely to require insurance cover, together with an estimate of the cost of the required insurance cover, in order that cover can be arranged once delivery occurs or the risk materialises.
- (h) The Chief Finance Officer shall in matters of urgency undertake to arrange immediate insurance cover where in his/her opinion this is deemed necessary to cover the risks.

10. Banking Arrangements

- (a) All bank accounts shall be in the name of Selby District Council and no bank account shall be opened without the authority of the Chief Finance Officer. The Chief Finance Officer shall be authorised, on behalf of the Council, to agree an overdraft facility with the Council's bankers as may from time to time be necessary.
- (b) Supplies of cheques shall be ordered only on the authority of the Chief Finance Officer who shall make safe and efficient arrangements for the control, custody and issuing of cheques. He/she shall also make appropriate arrangements for the safe transit and transmission of cash

and cheques. Main account cheques shall bear the facsimile signature of the ~~Executive Director with s.151 responsibilities or such other officer as the Council may determine~~ Chief Finance Officer. Cheques over £20,000 to have 2 authorised signatures with at least one being a first signatory.

- (c) The computer printed name of the Chief Finance Officer may be used for crossed cheques up to £20,000 and for open cheques up to £200.
- (d) All advance accounts shall be approved by the Chief Finance Officer and be kept on an imprest basis.

11. Imprest/Petty Cash Accounts

- (a) Payments made from an imprest account shall be limited to minor items of expenditure and to such other items as the Chief Finance Officer may approve and shall be supported by a receipted voucher as required. No income received on behalf of the Council may be paid into an imprest account but must be banked direct into the Council's bank account, or via the Council's cashiers' facility.
- (b) It is a requirement that a certificate be produced by the responsible officer verifying the amount of 'float' held at the end of each financial year and provided to the Chief Finance Officer.

12. Treasury Management

- (a) This Council has adopted CIPFA's Treasury Management Code of Practice 2009 and will adopt any amendments/additions to that Code.
- (b) A Treasury Management Policy Statement shall be adopted by the Council and thereafter its implementation and monitoring shall be delegated to the Chief Finance Officer.
- (c)
 - (i) All money in the hands of the Council shall be under the control of the Chief Finance Officer.
 - (ii) The Chief Finance Officer shall report to the Executive not less than twice in each financial year on the activities of the treasury management operation and on the exercise of delegated treasury management powers. One such report shall comprise an annual report on treasury management for presentation by 30 September of the succeeding financial year.
- (d) At or before the start of the financial year the Chief Finance Officer shall report to the Executive on the strategy for treasury management it is proposed to adopt for the coming financial year.
- (e) All Executive decisions on borrowing, investment or financing shall be delegated to the Chief Finance Officer who shall be required to act in

accordance with CIPFA's Treasury Management Code of Practice 2009.

13. Accounts and Audit

- (a) The accounts of the Council shall be kept by the Chief Finance Officer and all systems of accounting throughout service areas shall be as agreed with him/her. All accounting procedures adopted shall reflect local government-recommended professional practices and be in accordance with legal requirements. The Chief Finance Officer shall from time to time make such recommendations to the Council regarding the accounting systems and financial operations as he/she may deem necessary.
- (b) The duties of providing information regarding sums due to or from the Council and of calculating, checking and recording these sums, shall be separated as completely as possible from the duty of collecting or disbursing them. Officers charged with the duty of examining and checking the accounts of cash transactions shall not themselves be engaged in any of these transactions.
- (c) A continuous internal audit, under the direction and control of the Chief Finance Officer, shall provide an appraisal and review of the internal control system as a service to all levels of management and the Council as a whole. It will objectively examine, evaluate and report upon the adequacy of internal controls as a contribution towards the proper and efficient use of resources and to minimise the risk of irregularity occurring.

Chief Officers and Directors, acting collectively, shall have the responsibility to establish internal control to:

- (i) ensure adherence to policies and directives in order to achieve the Council's objectives;
 - (ii) safeguard its assets;
 - (iii) secure the relevance, reliability and integrity of data and information, so ensuring as far as possible the completeness and accuracy of records;
 - (iv) ensure compliance with statutory requirements.
- (d) The Chief Finance Officer or his/her authorised representative shall have authority to:
- (i) enter at all reasonable times any Council premises or land;
 - (ii) have access to all records, documents and correspondence relating to any financial transactions of the Council, including

those held by contractors;

- (iii) require and receive such explanations as are necessary concerning any matter under examination;
 - (iv) require any employee to produce cash, stores or any other Council property under his/her control; and
 - (v) require the assistance of employees at all levels of the Council in the preparation of internal audit reports.
- (e) At the end of each financial year, Chief Finance Officer shall submit to the Executive a statement of outturn of all revenue expenditure for approval and presentation to the Council. The Chief Finance Officer shall submit the accounts to the Audit and Governance Committee for approval, in accordance with the Accounts and Audit Regulations; the accounts shall then be reported to the Executive and Council.
- (f) Subject to any instruction given by the Council to the Chief Finance Officer, their systems of accounting control and the form of their accounts and supporting records shall be determined by that officer, and he/she shall ensure that, subject to compliance with any such instructions as are mentioned above, the systems of accounting control determined by him/her are observed and that the accounts of the Council are kept up to date.
- (g) Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of the Council or any suspected irregularity in the exercise of the functions of the Council, the Chief Executive, Statutory Officer or Director concerned shall notify the Chief Finance Officer who shall satisfy himself/herself as to the arrangements for investigation, report and subsequent action.
- (h) The internal audit function shall be conducted in accordance with the latest professional guidance and its activity will be based on an annual plan and controlled in order to achieve the agreed objectives. Documents shall be produced and records shall be maintained to demonstrate adequate control and professionalism in the delivery of the audit service. The findings and recommendations from each audit review shall be included in a formal report which will be presented to the Chief Finance Officer, the Chief Executive and the Monitoring Officer.
- (i) Internal audit will carry out Value for Money exercises, and provide quality assurance advice and support, in accordance with a programme agreed in advance by the Chief Finance Officer and Directors.

14. Income

- (a) The Chief Finance Officer shall make and maintain arrangements for:
 - (i) the financial organisation, accounting and book keeping necessary to ensure the proper recording of all sums due to the Council; and
 - (ii) the collection, custody, control, disposal and prompt and proper accounting for all cash in all service areas of the Council and has the right to inspect any documents or other evidence in this connection as he/she may decide.
- (b) All monies received on behalf of the Council in any service area shall be deposited promptly in a manner approved by ~~with~~ the Chief Finance Officer.
- (c) Large amounts of cash shall not be held overnight unless this is unavoidable. Where money is held overnight, the amount must not exceed limits laid down by the Council's insurers and secure arrangements must exist for safe keeping (approved by the Chief Finance Officer). Keys to safes must be kept by the approved key holder(s) and any loss of such keys must be reported to the Chief Finance Officer immediately.
- (d) Officers must not under any circumstances borrow temporarily from Council monies. Personal money must be kept entirely separate from Council monies and personal cheques must not be cashed out of money held on behalf of the Council.
- (e) Every transfer of official money from one member of staff to another must be evidenced in the records of the service areas concerned by the signature of the receiving officer.
- (f) The Chief Finance Officer shall maintain a Sundry Debtor System. All requests for debts to be raised shall be made on the form provided and signed by the relevant Director. Reports of outstanding debtors shall be provided monthly to the relevant Director.
- (g) All official receipt forms, account books, tickets and other financial items of a similar nature shall be in a form approved by the Chief Finance Officer and shall be ordered, controlled and issued by him/her and all recorded and acknowledged except for car parking tickets which should be ordered, controlled and issued by a Director, subject to the Chief Finance Officer being satisfied with the control arrangements. The Director of each service area shall be responsible for the safe custody and proper use thereof.
- (h) Particulars of all charges to be made for works done, services

rendered or goods supplied by the various service areas of the Council and of all other amounts due shall be promptly notified to the Chief Finance Officer.

- (i) New charges or changes in existing charges shall be approved by the Executive except that:
 - (i) the Chief Finance Officer, in conjunction with the Director concerned, may increase the existing charges annually in line with inflation or take account of changes in the rate of VAT.

15. Write off of debts and losses

- (a) No money due to, or inventory items of, the Council shall be written off without the authority of the Executive except that they may, after consulting any Chief Executive or the Director concerned:
 - (i) authorise the writing off of any loss of money or stores or inventory item not exceeding £10,000;
 - (ii) approve the abandonment or remission of any claim for money due to the Council when the sum involved does not exceed £10,000;
 - (iii) write off irrecoverable charges on bankruptcy or liquidation.

16. Orders

- (a) Except where a formal contract is made, all orders for work, goods and services shall be issued only by email or printed automatically using the computerised financial management system (i.e. official orders) approved by the Chief Finance Officer provided that the Chief Finance Officer may waive this requirement exceptionally in relation to particular orders such as supplies of public utility services, periodic payments, rent or rates, or otherwise.
- (b) Before an order is issued it shall be established that there is sufficient provision in approved estimates and/or other approvals have been obtained. The provisions of the Contract Procedure Rules shall be followed for obtaining tenders and quotations. The tendered or quoted price of the work, goods or services shall be stated on the order.
- (c) Oral orders shall be confirmed by official order prepared the same day. Any invoices received for which an official order cannot be traced shall be forwarded immediately to the Chief Finance Officer together with an explanatory memorandum. No Director shall use order forms other than those electronic orders provided by the financial management system.
- (d) All orders shall, so far as possible, be issued in sufficient detail to

identify completely and accurately the work, goods or service required, and shall specify where applicable the quotation, contract or other relevant agreement.

- (e) Orders shall be authorised by the appropriate Statutory Officer or Director or other officer authorised by him/her after consultation with the Chief Finance Officer to approve on his/her behalf, provided that officers authorised to approve orders shall approve in their own name. The names of officers authorised to approve/sign such orders shall be sent, annually or on request, to the Chief Finance Officer by each Director together with specimen signatories and shall be amended on the occasion of any change.
- (f) All orders shall be placed in accordance with the requirements of the Contract Procedure Rules in respect of the invitation of tenders and quotations.
- (g) An officer ordering materials shall consider the use of any central purchasing arrangements and to the possibilities of the standardisation of supplies and materials.
- (h) Any previously owned vehicles being purchased by the Council must be subject to a satisfactory data check on the vehicle's history by the ~~Chief Finance Officer~~ relevant Director before the Council is committed to the purchase of the vehicle.

17. Payment of Expenditure

- (a) All payments by the Council, except payments authorised under imprest accounts, and payments of salaries and wages shall be made by the Chief Finance Officer who shall satisfy himself/herself from time to time that there are proper arrangements in place to ensure that any amount is properly due and only such amounts are paid by the Council.
- (b) Each Director shall be responsible for arranging to have checked and certified all invoices, claims and accounts and input where appropriate arising to be dealt with in his/her service area as to their correctness in every respect. All such invoices, claims and accounts so checked and certified and complete with details of allocation and coding shall be passed without delay to the Chief Finance Officer so that they may be processed for payment. The names of officers authorised to certify monies for payment shall be sent, annually or on request, to the Chief Finance Officer by each Director together with specimen signatures, and shall be amended on the occasion of any change.
- (c) Directors shall ensure that there is a division of duties between processing of orders, receipt of goods or services and certifying of invoices.

- (d) Certification shall mean:
 - (i) an official order has been issued in compliance with Rule 17 or falls within the exceptions authorised by that Rule;
 - (ii) the work, goods or services to which the account relates have been received, carried out, examined and approved;
 - (iii) the prices, arithmetical accuracy, trade discounts, other allowances, credits and tax are correct and in accordance with quotations, contracts and valuations;
 - (iv) any VAT element of the payment has been correctly identified;
 - (v) the relevant expenditure has been properly incurred, is within the relevant estimate provision and is coded to the correct heads of expenditure;
 - (vi) the account has not been previously passed for payment and is a proper liability of the Council.
- (e) Each Director shall submit urgently and in sufficient time for the discount to be obtained all certified and checked invoices, claims and accounts subject to discount for prompt payment.
- (f) Each Director shall, to the extent requested by the Chief Finance Officer and by the date specified, notify him/her of outstanding expenditure relating to the previous financial year.
- (g) Any voucher or other document relating to the financial transaction of the Council shall be retained for a minimum of 6 years.
- (h) When an invoice is found to be incorrect it must not be amended by an officer, but a revised account must always be requested from the creditor. Any alteration will result in the account being invalid for the purposes of VAT where applicable.
- (i) Payments will not be made on photocopies or fax copies of invoices.
- (j) Payment will be made direct to the creditor or his/her bank.
- (k) The payment of the sums due from the Council shall be made by the Chief Finance Officer after entry on a Payments Listing.
- (l) Payments Listing shall be as follows:
 - (i) a weekly Payments Listing which shall be for routine payments;
 - (ii) an Urgent Payments Listing for payments not covered by sub-section 16 (a) above on a daily basis as required.

- (m) Payments shall be made within 30 calendar days of receipt of invoice unless agreed otherwise by the Chief Finance Officer.

18. Wages and Salaries

- (a) The payment of all salaries, wages, pensions and other emoluments and authorised payments to all employees or former employees of the Council shall be the responsibility of the Directors.
- (b) The Directors are responsible for initiating changes to the payroll shall maintain such records and supply certified and authorised information as may be necessary to ensure the prompt and accurate payment of salaries, wages, pensions and other emoluments.
- (c) Responsible officers shall notify the Directors as soon as possible, in the agreed form and manner of all matters affecting the payment of such emoluments and in particular:
 - (i) appointments, resignations, dismissals and transfers, changes in remuneration, other than normal increments and pay awards and agreements in general.
- (d) Responsible officers shall notify the Directors in respect of:
 - (i) absences from duty for sickness or other reason, apart from approved leave;
 - (ii) information necessary to maintain records of service for pensions, income tax, national insurance and the like.
- (e) Time sheets shall be certified by the Director of the service area concerned or certified by the appropriate delegated authorised officer.
- (f) All records relating to salaries, wages, social security, superannuation and income tax payments of the Council's employees shall be kept by the Directors who shall be responsible for the payment of such salaries and wages.

19. Stores

- (a) Each Director shall be responsible for the proper custody of stores held by him/her.
- (b) The accounts to be kept in connection with the receipt and issue of stores shall be in such form as shall be agreed with the Chief Finance Officer and shall be subject to his/her examination and check at such times as he/she thinks fit.
- (c) The Chief Finance Officer in conjunction with the Director concerned

shall make such arrangements for stock-taking as the Chief Finance Officer may deem necessary.

20. Security

- (a) Each Director shall be responsible for maintaining proper security at all times for all buildings, stocks, stores, furniture, equipment, cash, etc., under his/her control.
- (b) Maximum limits for cash holdings in accordance with insurance shall be agreed with the Chief Finance Officer and shall not be exceeded without his/her express permission.
- (c) Keys to safes and cash receptacles are to be carried on the person of those responsible at all times. The loss of any keys must be reported to the Chief Finance Officer forthwith.
- (d) Each Director shall be responsible for maintaining appropriate security measures to ensure against unauthorised access to, or alteration, disclosure or destruction of, personal data and against accidental loss or destruction of personal data in accordance with data protection legislation in force at any time.
- (e) The Chief Finance Officer shall be responsible for maintaining proper security and privacy of information held in the computer installation or for its use.

21. Travel and Subsistence Allowances etc.

- (a) Travel claim forms should be completed for each calendar month and submitted to the appropriate Director.
- (b) Claims for expenses (including rail fares) and subsistence must be accompanied by receipts showing VAT where applicable, and submitted to the appropriate Director.
- (c) Claims for mileage allowance will be paid with salary and not reimbursed through petty cash.
- (d) Claims must be authorised by the Director or appropriate delegated authorised signatory. Directors shall be responsible for ensuring that payment of travel and subsistence expenses are checked as valid and accurate prior to certification. Certification by or on behalf of the Director shall be taken to mean that the certifying officer is satisfied that the journeys made were authorised, the expenses properly and necessarily incurred, and that the allowances are properly payable by the Council.
- (e) All officers who use their private cars for official journeys shall indemnify the Council against claims from third parties and shall

produce their driving licence, insurance policies and/or renewal receipts as required by the Chief Finance Officer

- (f) Payments to councillors for travel or other allowances, in accordance with the appropriate statutory provisions, will be made by the Chief Finance Officer upon receipt of the prescribed form duly completed. Councillors are encouraged to submit claims on a monthly basis for expenditure to be accounted for within the appropriate month.

22. Irregularities

- (a) Where any officer has cause to suspect irregularity he/she shall inform his/her Director who will inform both the Chief Executive and the Chief Finance Officer and provide facilities for investigation to the Council's Auditors, as stated in the Whistle-Blowing Policy adopted by the Council.
- (b) Should it be considered that irregularity has occurred or is occurring, the Head of Paid Service, Chief Finance Officer or Monitoring Officer shall consider whether it is appropriate to inform the Leader and prepare a report for the Executive.

23. Grant applications and claims

- (a) All applications and claims for external grants up to a value of £50,000 made on behalf of the Council (whether capital or revenue) shall be approved by the relevant Director and notified to the Chief Finance Officer who, on confirmation of such funding, shall make the necessary amendments to the approved estimates.
- (b) ~~Proposals for new initiatives~~ Applications and claims with a value exceeding £50,000, which are to be funded by external grants shall be ~~subject to business case approval~~ approved by the Chief Finance Officer except where such initiatives will require additional funding (either capital or revenue) beyond that contained within the approved estimates.
- (c) Approval of the Executive with a report to the Council shall be required where grant funded initiatives will require additional funding (either capital or revenue) beyond that contained within the approved estimates.

CONTRACT PROCEDURE RULES – Appendix C

1. Introduction

1.1 These Contract Procedure Rules (“CPRs”) set out the key responsibilities and actions that Council staff must follow when undertaking procurements.

1.2 These CPRs constitute standing orders for the purpose of s135 of the Local Government Act 1972.

2. Compliance

2.1 These rules apply to all contracts for Works, Supplies, Services or Social and Other Specific Services but do not apply to:-

- (a) Contracts of employment which make an individual a direct employee of the Council;
- (b) property Contracts regarding the acquisition, disposal, lease or transfer of land (which are covered by the Finance Procedure Rules);
- (c) financial instruments (including, but without limitation, shares, bonds, bills of exchange, future or options Contracts) (which are covered by the Financial Procedure Rules);
- (d) Chief Finance Officer dealing in the money market or obtaining finance for the Council; or
- (e) Contracts entered into in settling litigation or alternative dispute resolution.

2.2 The Financial Procedure Rules under Part 4 of this Constitution and the Executive Procedure Rules shall be applied in conjunction with these Rules.

2.3 Where the Council has awarded a Contract to any person to supervise or otherwise manage a Contract on its behalf such a person shall be required to comply with these Rules as if he were an Officer of the Council.

2.4 The term ‘procurement’ in these CPRs includes any arrangement whereby a new, replacement, amended or extended Contract for the supply of goods, works or services is to be put in place. This includes circumstances where more than one provider is invited to tender and also where goods, works or services are procured through a negotiation with a single provider. This includes the award of concessions. Grant funding arrangements by the Council should be considered carefully to decide whether they are in fact a procurement

for the purposes of these CPRs¹. A genuine grant funding arrangement is not a procurement. However, officers should consider whether the purpose that the grant is being provided for could be achieved through a procurement.

- 2.5 The following are not procurements for the purposes of these CPRs:
- (a) use of an internet service provider (except where the ISP is invited to submit a tender along with other providers);
 - (b) provided that the Public Contracts Regulations do not apply, a joint or shared services arrangement with another public body;
 - (c) an arrangement with a statutory body (e.g. the police) to provide a service that only the statutory body can legally provide; and
 - (d) a Contract or other arrangement with a company that is controlled by the Council (whether wholly or jointly with another public body).
- 2.6 The decision of the Chief Executive will be final in any matter concerning the interpretation of these CPRs.
- 2.7 Failure to comply with the CPRs may result in disciplinary action.

3. Pre Procurement Activity

3.1 For all procurement activity above £50,000 consideration must be given to assess the need for a market engagement exercise (Soft Market Testing) where the scope of the procurement or solution required is not sufficiently defined for clearly specifying in the tender documents.

3.2 The engagement exercise may be used by the Council to gather information about what the market is capable of offering in order to refine the Councils requirements to ensure adequate competition. Prior to undertaking any market engagement, advice must be sought from the Head of CC&P to determine if appropriate and the method of engagement.

3.3 Where market engagement is undertaken, the Authorised officer must ensure appropriate measures are taken to ensure competition is not distorted by:

3.4 i) Ensuring any organisations involved in the engagement exercise are made aware that the engagement does not form part of a tender process.

¹ Guidance on this matter is available on the National Audit Office website
<http://www.nao.org.uk/successful-commissioning/successful-commissioning-home/sourcing-providers/>

- ii) Ensuring the exercise is conducted in an open, transparent and structured manner.
- iii) As many suppliers as possible are given the opportunity to participate
- iv) Any information exchanged that is propriety to the supplying organisation is not used within the tender documents
- v) A record of the question and responses is kept on file by the Authorised Officer

3.5 Where the market engagement is undertaken through the use of an advertisement on YORtender or through the use of a prior information notice (PIN) within OJEU, the details of this advertisement also needs to be recorded on Contracts Finder.

34. Compliance with Legislation and Standards

3.14.1 Every procurement undertaken by or on behalf of the Council and every Contract entered into by the Council will comply with:

- (a) EU Law
- (b) Acts of Parliament
- (c) Statutory Instruments, but without limitation, the Public Contracts Regulations 2015
- (d) These Contract Procedure Rules, the Executive Procedure Rules and the Council's Financial Procedure Rules.

5.4. Responsibilities of DirectorsOfficers

4.15.1 Directors & Heads of Service

5.24.2 For the purposes of these Rules the term Directors includes the Chief Finance Officer and the Solicitor to the Council.

5.34.3 Directors & Heads of Service shall ensure that the Council has the legal power to enter into any Contract and that in respect of all Contracts, regardless of whether they involve the procurement or provision by the Council of Works, Supplies, Services or Social and Other Specific Services, Directors & Heads of Service shall ensure that no Contract shall be entered into which is ultra vires.

5.44.4 Directors & Heads of Service shall ensure that the Council:

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- (i) achieve Best Value for public money spent;
- (ii) show no undue favour to any Contractor, nor discriminate against Contractors from other European Union (EU) states;
- (iii) conduct tendering and price-testing in accordance with the highest standards of propriety and proper practice (including respecting the confidentiality of commercial information);
- (iv) ensure that adequate Contract files are kept for all Contracts upon which they are engaged;
- (v) ensure that before entering into any Contract:
 - (i) there is adequate approved budgetary provision; and
 - (ii) there is the appropriate authority.
- (vi) Ensure the Corporate Contract Register held by the Commissioning Contracts & Procurement Service (CC&PS) is updated ~~Keep a register of all Contracts~~ where the Contract Value is above ~~below~~ £5,000;
- (vii) Ensure that all Contracts where the Contract Value exceeds £50,000 are passed to the Solicitor for the Council for sealing and safekeeping; and
- (viii) Ensure all authorised contract procedure rules waivers are submitted electronically to the (CC&PS) ~~keep a record of all exemptions recorded~~ under rule ~~3~~2.3.

5.5
4.5

Officer Responsibilities

~~The Officers~~ responsible for a purchase, disposal or submission of tenders shall be referred to as authorised officers for the purposes of these CPR's. Authorised Officers must comply with these Contract Procedure Rules, Financial Regulations, Code of Conduct and with all United Kingdom and European Community binding legal requirements. These Rules lay down minimum requirements. A more thorough procedure may be appropriate for a particular Contract.

5.64-6

5.74.7

The ~~lead~~ Authorised Officer is responsible for ensuring that:

- (i) the requisite authority under the Constitution is obtained to enter into a Contract;
- (ii) a specification including any quality and or performance standards that will form the basis of the Contract is prepared;
- (iii) an estimate of the whole life cost of a proposed Contract,

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including maintenance and ongoing costs is prepared;

- (iv) that a risk register is prepared in respect of Contracts with an estimated Total Value greater than £50,000;
- (v) that any proposed Contractor has the technical capability to deliver the project;
- (vi) any proposed Contractor has the financial and resource capacity (taking into account Contract Value and risk) to perform the Contract;
- (vii) these rules, the Financial Procedure Rules and any Codes of Practice are complied with; and
- (viii) any agents, consultants, and Contractual partners acting on the Council's behalf follow a process which provides for equivalent competition to these rules.

5.84-8

The ~~lead~~Authorised Officer shall maintain a Contract file in respect of each procurement exercise for a Contract with a Total Value exceeding £~~45~~,000 which will include:

- (a) the name of Officers undertaking the procurement process;
- (b) a copy of the specification;
- (c) in relation to Contracts with a Total Value exceeding £50,000, the risk register;
- (d) a written record of any exemption from Contract Procedure Rules and the reason for it;
- ~~(e)~~ (e) copies of all tenders or quotations;
- ~~(e)(f)~~ (f) Copies of bidder questions and answers plus copies of evaluation questions and answers
- ~~(f)(g)~~ (g) a copy of the evaluation process and reasons for the decisions as to acceptance or rejection of every tender or quotation;
- ~~(g)(h)~~ (h) a copy of any debrief request and the response thereto;
- ~~(h)(i)~~ (i) the award letter;
- ~~(i)(j)~~ (j) the signed order form or copy of the final signed Contract; and
- ~~(j)(k)~~ (k) a copy of any extension to the Contract in accordance with CPR.

6.5-

Joint Procurement

6.15-1 Any joint procurement for the benefit of the Council together with one or more public bodies will be formally approved by the relevant Director as a Delegated Decision before the procurement commences.

6.25-2 Where the Council conducts the procurement on behalf of itself and one or more other public bodies these CPRs will apply and the **Lead Authorised** Officer must ensure the other public bodies that are to be included in that arrangement are listed in the OJEU advertisement and Contract documents individually or as an identified class. The estimate of Contract usage must include the potential usage of that joint arrangement by those public bodies listed.

6.35-3 Where the Council is going to take part in a procurement that is conducted by another public body the procurement must be carried out in accordance with the procuring body's procurement rules and the Public Contracts Regulations 2015.

7.6- Estimating the Contract Value

7.16-1 The method for estimating the contract value, shall be based on the total amount (excluding VAT) the Council expects to pay or receive as income for the whole contract period or term. (for example Estimated annual value x Contract duration plus any allowance for annual fluctuations in estimated spend profile). ~~Contract Total Values should be calculated by working out the annual price and multiplying it by the Contract length (including any possible Contract extensions)~~ and, in any event, in accordance with the Public Contract Regulations with particular regard to the rules on aggregation. For consistency, these rules should be followed even when the Public Contract Regulations are not applicable.

7.2 In the case of call off contracts from a framework the total value calculation shall not exceed four years when calculating the contract value.

67.32 ~~Lead-Authorised~~ Officers will ensure that Total Values are not split in an attempt to avoid the applicability of these CPRs, the Public Contract Regulations or the Executive and Decision Making Procedure Rules (Part 4 of the Constitution).

78. Form of Contract

8.17-1 Every Contract exceeding £1000 in Value shall be evidenced in writing (by the use of an order form, exchange of correspondence or other written medium).

8.27-2 Every Contract exceeding £1,000 shall be evidenced by the use of a Contract file (as set out in CPR ~~4-75.7~~).

8.37-3 Every Contract exceeding £25,000 in Value shall be documented by a written form of agreement which must clearly specify the obligations of the Council and the Contractor and shall include:

- (a) the work to be done or the Supplies, Services or Social and Other Specific Services to be provided;
- (b) the standards which will apply to what is provided;
- (c) the price or other consideration payable;
- (d) the time in which the Contract is to be carried out; and
- (e) the remedies which will apply to any breach of Contract.

9.8. **Key Decision and Forward Plan**

9.18-1 Expenditure of £150,000 or more is a Key Decision and can only be taken in accordance with the Executive Procedure Rules.

9.28-2 The proposed award and tenders of £150,000 or more must be placed on the Forward Plan whether the award is made.

9.38-3 Content of Forward Plan

The Forward Plan will include the following information in respect of each key decision:

- (a) the matter in respect of which a decision is to be made;
- (b) the person or body by whom the decision is to be made;
- (c) the date on which, or the period within which, the decision will be taken;
- (d) the steps any person might take who wishes to make representations to the decision-taker about the matter in respect of which the decision is to be made, and the date by which those steps must be taken; and
- (e) a list of the documents (which are available to the public) submitted to the decision-taker for consideration in relation to the matter.

9.48-4 Publication of the Forward Plan

The Forward Plan must be published at least 28 clear days before the start of the period covered.

Subject to Rule 5.5 of the Executive Procedure Rules (general

exception) and Rule 5.6 of the Executive Procedure Rules (special urgency), a key decision may not be taken unless:

- (a) a notice (l the 'Forward Plan') has been published in connection with the matter in question;
- (b) at least 28 clear days have elapsed since the publication of the Forward Plan;
- (c) where the decision is to be taken at a meeting of the Executive or its committees, notice of the meeting has been given in accordance with Rule 6.2 (Notice of Meeting).

10.9- Less than £5,000 – Low Value Procurement

10.19.1 Where the Estimated Value of a Contract is £5,000 or less an ITQ is not mandatory, but at least ~~one-two~~ quotations ~~are~~ required provided the ~~Lead-Authorised~~ Officer believes that it represents Best Value for the Council to make a direct appointment without the need for ~~further~~ competition. They may do so providing that a written record of the decision, along with reasons, is kept.

11.10- Between £5,000 and £50,000 – Intermediate Value Procurement

11.140.1 Competition is required for procurements Valued at over £5,000 but at or below £50,000.

11.240.2 At least **three** written quotations must be invited. These tenders may be invited by publishing either an open or restricted tendering opportunity (restricted meaning that only selected suppliers are invited to tender) on the E-Sourcing system.

11.340.3 The estimated Value of the Contract shall be recorded in writing prior to quotations being sought. Quotations above £25,000 **must** be invited using the E-Sourcing system.

11.440.4 If a Director or Head of Service considers it to be appropriate that any ITQ shall be available to all potential Participants then a notice advertising the opportunity shall be published through the E-Sourcing System and, if considered appropriate, a local newspaper and a suitable professional or trade journal or website. The form of advertising shall take into account the Value, location and subject matter of the Contract. The notice shall specify brief details of the Contract, how the ITQ documents may be obtained and the closing day for receipt of quotations by the Council.

11.540.5 All potential Contractors invited to submit quotations shall be provided in all instances with identical information and instructions. Where considered appropriate, Directors or Heads of Service may permit potential Contractors who have been selected to submit quotations

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under Rule 10.2 to also submit variant quotations (i.e. quotations which do not comply with some or all of the requirements of the primary quotation). The same opportunity to submit variant quotations must be given to all potential Contractors.

11.610.6 A written quotation may only be considered if it has been submitted in compliance with clause 26 of these CPR's:

~~(a) it has been received electronically through the E-Sourcing System; or~~

~~(b) it has been received in a sealed envelope marked 'Quotation' and indicating the subject matter of the quotation; and~~

~~(c) it has been opened after the expiry of the deadline for submissions and at the same time as other quotations for the same subject matter in the presence of at least two Officers.~~

11.710.7 Before quotations of a Value in excess of £25,000 are requested it must be recorded in writing whether the lowest price or the most economically advantageous quotation should be accepted. Where both price and quality are to be factors (i.e. where the most economically advantageous quotation applies) the quality criteria must be identified and the weighting between price and quality established and recorded before quotations are requested. The criteria should be stated in the request for quotation sent to suppliers.

11.810.8 Unless the Solicitor to the Council considers a formal Contract document is necessary, orders for procuring goods and/or services the Value of which is no greater than £50,000 shall be on the official form of order (official order) as approved by the Chief Finance Officer.

11.910.9 All official orders must be issued in sufficient detail and refer to the reference where available:

(a) to identify the works, goods and/or services required;

(b) the price to be paid; and

(c) the time within which the Contract is to be performed and show the appropriate expenditure code.

11.1010.10 Competitive prices may be sought and received electronically provided that hard copies of all electronically processed information and correspondence relating to the price are made and retained on the Contract files.

11.1110.11 Officers authorised to sign official orders shall not certify the receipt of any goods or services (unless cross checked by another Officer) for which they have signed the order.

~~11.12~~~~10.12~~ Any orders which are given orally must be confirmed by an official order on the same day, or as soon as possible thereafter.

~~10.13~~ ~~Where goods and/or services are obtained under agreement from a Contractor throughout a year it shall be sufficient to invite quotations once in that year, however, consideration must be given to establishing a Framework or Measured Term Contract.~~

12 Over £50k – High Value Procurement

~~12.1~~
~~44.~~ Where no appropriate internal provider, exclusive supplier, Council approved framework agreement or approved framework agreement exists, competition is required for procurements Valued over £50k.

~~44.1~~

12.2 Where there are sufficient numbers of providers at least **four** written tenders will be invited. Tenders must be invited by publishing an open opportunity on the E-Sourcing System.

12.3
~~44.2~~ CPRs ~~124.1~~ and ~~124.2~~ are subject to CPR ~~132.2~~. Where the estimated Contract Value reaches the relevant EU threshold set out in the Public Contracts Regulations, CPR ~~110~~ will also apply.

12.4
~~44.3~~ Any decision to waive this rule by a Director will be in accordance with CPR ~~324~~. Rule ~~124.3~~ cannot be waived.

12.5
~~44.4~~ The decision to undertake a procurement of this Value must be taken in accordance with the Council's Constitution particularly Part 3 on specific delegations. At this level of spend it should be considered whether the decision is a Key Decision (as set out in CPR ~~98~~).

~~12.6~~~~44.5~~ If an open advert is placed on the E-Sourcing system, the option to publish on contracts finder must be selected.

13. Contracts that are subject to the Public Contract Regulations

13.1
~~44.6~~ Where the estimated Value of a Contract exceeds the current EU threshold, the Contract will be tendered in accordance with the Public Contracts Regulations and these CPRs.

13.2
~~42.~~ Where a Director and the Solicitor to the Council agree that the negotiated procedure without publication of a Contract notice applies there is no requirement to obtain a waiver of CPRs ~~124.1~~ and ~~124.2~~.

~~42.4~~

13.3 All OJEU Contract notices must also be published on Contracts Finder.

13.4 The current thresholds (as at January ~~2016~~2018) are:

~~42.2~~ Goods OR Services - £18164,302476.00
Works - £4,404551,394413-00

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Contracts for Social and other Specified Services -
£615,278,589,148.00 (light touch regime)

13.5~~12.3~~ The thresholds are updated every two years.

13.6~~12.4~~ Officers should note that there are specific rules in the Public Contracts Regulations covering Contracts for Social and other specific services. These include certain health, social, educational and other services. Above ~~the~~ threshold set out in CPR 13~~2~~.4 these services must be procured following the placement of an OJEU Contract notice or prior information notice and using a selection process that follows the principles of transparency and equal treatment and in particular covers the following:

13.7~~12.5~~ 13~~2~~.5.1 – conditions for participation must be clear;
13~~2~~.5.2 – time limits must be clear; and
13~~2~~.5.3 – the award procedure must be clear.

Advice should always be sought from the Solicitor to the Council to ascertain whether the service you are procuring needs to be advertised in accordance with the Public Contracts Regulations and how a procurement for these services should be run.

13.8 Officers conducting above threshold procurements of goods, works and services should note that they must consider dividing Contracts into lots and justify any decision not to do so in either the procurement documents or the evaluation report and that all procurement documents must be published at the time that the OJEU Contract notice is published.

14. Pre-qualification~~Supplier Self Certification~~

14.1 In all procurements with a Value at or above EU thresholds as set out
in para 13.4 of £172,514 or more the Council will only enter into a
14.7 Contract with a Contractor if it is satisfied as to the Contractor's eligibility, financial standing and technical capacity and CPRs 13~~2~~.2 and 14~~3~~.3 need to be followed when making this assessment.

14.2 A process of contractor self certification is used ~~Pre-Qualification Questionnaires are used~~ to assess a tenderer's ability to perform the Contract in question (selection criteria) and must not be used to assess how a Contractor will perform the Contract (award criteria).

14.3~~13.~~ A~~T~~emplate self certification documents are available from CC&P's
Pre-Qualification Questionnaire is available for use to determine the criteria under CPR 12~~4~~.1.

14.4 In all procurement with a Value ~~of less than~~ EU thresholds~~£172,514~~
Authorised~~Lead~~ Officers should consult with CC&P's to ~~need~~ to decide if a process of contractor self certification is ~~whether it is~~ necessary to

assess a suppliers's eligibility, financial standing and technical capacity. If the ~~lead-it is decided this is not necessary then, Officer decides that this assessment is necessary, Pre-Qualification Questionnaire are not allowed for 'below threshold' Contracts, instead~~ suitability assessment questions must be included as part of this tender assessment.

13.2

15. Invitation to Tender

15.1

If the estimated Value of the Contract is £50,000 or more, electronic tenders shall be invited in accordance with the provisions of this Rule.

15.2

The ~~lead~~ Authorised Officer will ensure that tenders are invited and Contracts are entered into on the Council's contract terms and conditions. They will be included with each purchase order or invitation to tender. Where this is not possible, because the Council's terms and conditions are not suitable, and other terms and conditions are proposed, those terms and conditions must be formally approved in writing by the ~~relevant Director~~ Solicitor to the Council before they can be accepted.

15.3

The above CPR ~~15~~4.2 will not apply to:

- (a) Construction and/or engineering Contracts where bespoke conditions based on accepted standard form Contracts are used such as JCT or NEC for example; and
- (b) Approved Framework Agreements that have been created by organisations other than the Council.

15.4

Where tenders for works are required for building works, the Lead Authorised Officer will liaise with ~~CC&P's the North Yorkshire Procurement Partnership~~ to determine the most appropriate standard form of building Contract to use.

15.5

If the estimated Value of the Contract exceeds the relevant EU Threshold the additional requirements for OJEU Procurements, set out in Rule ~~13~~2, shall be followed.

16.

ITT – General Requirements

16.1

Before an Officer invites a tender it shall be in writing for all Contracts whether the Contract will be awarded on the basis of price or the most Economically Advantageous Tender (MEAT), a combination of price and quality.

16.2

If a Contract is to be awarded on the basis of the MEAT, the criteria to be used in the assessment of the quality elements of the tenders and the weighting between price and quality shall be established and recorded in writing before tenders are invited. For all Contracts, the tender assessment criteria, sub-criteria and weightings shall be stated

on the ITT.

16.3

If a Contract is to be awarded on a price only basis it shall be recorded whether the award will be made on the basis of the lowest price or any other tendered price. Where a tender involves payment to the Council, the provisions of this Rule shall apply except that the word 'lowest' shall be replaced by the word 'highest'.

16.4

All Participants invited to submit tenders shall be provided with identical instructions and information.

17.

Pre-tender submission clarification

17.1

Prior to the tender submission deadline either the Council or a tenderer may seek to clarify any aspects of the issued tender documentation. Adequate time must be allowed for both the clarification question and the response. Both the clarification question and response must be in writing and recorded in a log. A minimum of 5 days must be allowed between the last clarification question or response issued by the Council and the tender submission date (although note that different timescales apply to procurements that are subject to the Public Contracts Regulations and have required the publication of a Contract notice). Except for a very limited set of circumstances both the question (anonymised) and the response should be issued to everyone who has been invited to tender. Legal Services can advise any officer who requires some assistance in relation to this rule.

18.

Options for Tender

18.1

Tenderers shall be invited on the basis of one of the following options.

18.2

Open Tenders

18.3

If a Contract (including a Contract for Social or Other Specific Services or a Contract for Works) has a Value in excess of £50,000 but below EU threshold then the following procedures shall apply:

- (i) A notice advertising the opportunity shall be published through the E-Sourcing System and Contracts Finder and, if considered appropriate, a local newspaper and a suitable professional or trade journal or website. The form of advertising shall take into account the Value, location and subject matter of the Contract. The notice shall specify brief details of the Contract, how the ITT documents may be obtained and the closing date for receipt of tenders by the Council.
- (ii) The deadline date for the return of tenders shall be at least 28 days after the publication of the first advertisement of the ITT and, where relevant, at least 14 days after the last ITT advertisement is published.

- (iii) The criteria which are to be applied in the evaluation of the tenders shall be recorded in writing before ITT's are issued and shall be included in the documents provided to all Participants.
- (iv) The evaluation of the tenders shall be carried out by Officers, nominated by the Director or Head of Service, who are considered appropriate having regards for the subject matter and Value of the Contract.

19.

Restricted Tenders

19.1

Only in the case of Social or Other Specific Service Contracts or Works Contracts in excess EU thresholds if a Director or Head of Service in consultation with the Solicitor to the Council, **considers** it appropriate that any tender ITT shall be restricted to selected participants by following the restricted procurement procedure, issuing a PQQ to all potential Participants followed by an ITT to those Participants selected at the PQQ stage then the following procedures shall apply:

- (i) A notice advertising the opportunity and inviting expressions of interest shall be published through the E-Sourcing System and, if considered appropriate, a local newspaper and a suitable professional or trade journal or website. The form of advertising shall take into account the Value, location and a subject matter of the Contract. The notice shall specify brief details of the Contract and invite potential Participants to complete a request to participate for submission and submit a PQQ to the Council in order to be considered to be invited to tender. The notice shall include details as to how requests to participate PQQs are to be submitted and the closing date for their receipt by the Council.
- (ii) The deadline date for the return of request to participate PQQs shall be at least 28 days after the publication of the first advertisement of the opportunity and, where relevant, at least 14 days after the last advertisement is published.
- ~~(iii) The selection criteria which are to be applied in the evaluation of the PQQs-request to participate shall be about the bidders capacity and technical ability to deliver the general requirements and not the specific contract. recorded in writing before the PQQs are invited and shall be included in the documents provided to all Participants.~~
- ~~(iv)~~ (iii) The evaluation of the PQQs-request to participate shall be carried out by Officers, nominated by the Director or head of Service, who are considered appropriate having regards for the subject matter and Value of the Contract.
- ~~(vi)~~ (iv) After evaluation of the PQQsrequests to participate, ITTs shall

be published to at least five Participants or, if less than five potential Participants applied or are considered suitable, such Participants as have been selected by the Director or Head of Service.

~~(vii)~~(v) The deadline date for the receipt of tenders shall be at least 28 days after the date of dispatch of the ITTs.

~~(viii)~~(vi) The criteria which are to be applied in the evaluation of the tenders shall be recorded in writing before ITTs are published and shall be included in the documents provided to all Participants.

~~(ix)~~(vii) The evaluation of tenders shall be carried out by Officers, nominated by the Director or Head of Service, who are considered appropriate having regards for the subject matter and Value of the Contract.

20. Framework Agreements

20.1 Where the Value of the proposed Framework Agreement exceeds the EU Threshold, the procedure prescribed by the PCRs shall apply to all aspects of the procurement and to the subsequent operation of the Framework Agreement including, but not limited to:

- (i) the procurement methodology;
- (ii) the placement of orders under the Framework Agreement;
- (iii) further competition between Contractors appointed to the Framework Agreement.

20.2 The duration of a Framework Agreement shall be limited, as prescribed by the PCRs, to a maximum of four years including any extension periods.

21. Approved List of Procedure

21.1 If a Director or Head of Service considers it appropriate to maintain a list of suitable Contractors for particular types of Work and/or Supplies and/or Services and/or Social and Other Specific Services, where the estimated Value of the Work and/or Supplies and/or Services and /or Social and Other Specific Services is below the relevant EU Threshold, the list of suitable Contractors shall be established using the procedures set out below:

- (i) A notice inviting expressions of interest shall be published through the E-Sourcing System and, if considered appropriate, a local newspaper and a suitable professional trade journal or website. The form of advertising shall take into account the

Value, location and subject matter of the Contract. The notice shall specify brief details of the Contract and invite potential Participants to apply to the Council to be considered for inclusion on the approved list by the Council. The notice shall include details as to how expressions of interest are to be submitted and the closing date for their receipt by the Council.

- (ii) The deadline date for the return of expressions of interest shall be at least 28 days after the publication of the first advertisement of the expressions of interest and, where relevant, at least 14 days after the last advertisement is published.
- (iii) The selection criteria which are to be applied in the evaluation of the expressions of interest shall be recorded in writing before expressions of interest are invited and shall be included in the documents provided to all Participants.
- (iv) The evaluation of expressions of interest shall be carried out by officers, nominated by the Director or Head of Service, who are considered appropriate having regards for the subject matter and Value of the Contract. The Director or Head of Service shall then maintain a list of such approved Contractors categorised by Works/Supplies/Services/Social and Other Specific Services type and Value as may be applicable.
- (v) The Director or Head of service shall review the performance of all Contractors on the approved list at regular intervals, not exceeding 12 months from the date of appointment of the Contractor to the approved list.
- (vi) The Director or Head of Service may remove Contractors from an approved list where the Director or Head of Service and Chief Finance Officer agree that such a removal is appropriate, having regards for the conducts, performance an/or status of the Contractor in relation to those standards identified in the original expressions of interest.
- (vii) The Director or Head of Service may approve an application from a potential Contractor to be added to an existing approved list.
- (viii) ITTs or Invitations to Quote shall be invited in accordance with Rule ~~132~~ or Rule ~~124~~.
- (ix) The Director or Head of Service shall maintain records of the tenders or quotations invited from an approved list such that the names of the Contractors invited to tender, the selection process and Contracts awarded to each Contractor are available for inspection.

- (x) Approved Lists may remain in force for a maximum of five years. Before the expiration of the Approved List a replacement shall be established, if appropriate.

22. Dynamic Purchasing Systems, Competitive Dialogue Procedure, Competitive Procedure with Negotiation and Innovation Partnership Procedure

22.1 Where a Director ~~or Head of Service~~, in consultation with the Solicitor to the Council ~~and Head of CC&P~~, agrees that it is appropriate, a Dynamic Purchasing System, the Competitive Dialogue Procedure, the Competitive Procedure with Negotiation or the Innovation Partnership Procedure may be used for the invitation of tenders in accordance with the requirements of the PCRs.

23. Submission Receipt, Opening and Registration of Tenders

23.1 Invitations to Tender for procurements that have a Value ~~above of below~~ £25,000 are not required to be transmitted electronically using the E-Sourcing system however, the use of the E-Sourcing system is encouraged for all procurements.

23.2 Invitations to Tender for procurements that have a Value of £25,000 or more must be transmitted electronically using the E-Sourcing system; this includes mini competitions under Approved Framework Agreements. The use of the E-Sourcing system is encouraged for all procurements.

23.3 ~~Faxed or E~~mailed tender documents or tender submissions are not acceptable for procurements that have a Value ~~above of~~ £25,000.

23.4 The design of the tender documents must be such that price documentation cannot be changed or substituted following submission of the Tender.

23.5 Procurements through Approved Frameworks need not be advertised unless a mini-competition is required in which case they will be advertised in accordance with the provisions of the framework. ~~Where allowed by the framework rules any mini competition must use However, once complete, details of the Contract must be registered on the E-Sourcing system, by the Lead Officer.~~

23.6 Subject to CPR ~~254~~ no tender submissions, ~~or Pre-Qualification Questionnaires~~ received after the specified date and time for their receipt can be considered by the Council unless the delay is caused by a Council error such as temporary failure of the E-Sourcing system in which case the ~~Solicitor to the Council~~ Director may waive this CPR ~~232.6~~ if ~~they~~ believes it is reasonable to do so in all the circumstances.

~~All t~~ender submissions for procurements that have a Value ~~of~~ over

£50,000 will be opened by the ~~at least two~~three officers, one of which must be a Head of service or above and must be from different service areas.~~Director and if required at least one other Officer nominated by the Solicitor to the Council.~~ An immediate record will be made of the Tender submissions received including names, addresses, Value and the date and time of opening. ~~All tender envelopes must be retained on file.~~

~~Lead Officers must ensure that appropriate arrangements are in place for the recording and opening of tenders that have a Value of £50,000 or less.~~

24. Tender Evaluation

24.1 Selection and award criteria must be distinguished and highlighted as part of the tender documentation. The evaluation criteria will be predetermined and approved ~~(as an administrative decision)~~ by the relevant ~~Lead~~Authorised Officer in consultation with the CC&P's and disclosed to all tenderers through the Invitation to Tender documentation. The evaluation criteria should be disclosed along with weightings. In exceptional circumstances, where this is not possible, the evaluation criteria may be listed in order of importance. Published criteria may not be changed and will apply throughout all stages of a procurement. The evaluation criteria and methodology must be set in accordance with the Public Contracts Regulations (including an assessment of cost effectiveness such as lifecycle costing.)

24.2 All Contracts must be awarded on the basis of the offer which represents the pre-determined evaluation criteria.

25. Errors in Tender Submissions

25.1 Errors in tender submissions must be dealt with either by asking the tenderer to confirm that they will honour their tender submission despite the error or if not withdraw the tender from the procurement process. Where a tenderer has made a genuine error they may be given the opportunity to correct that error prior to tender evaluation. If correction is permitted the tenderer must submit, supplement, clarify or complete the relevant information or documentation within a strict time limit that represents the minimum time that a tenderer needs to make a correction.

25.2 If a tender submission is incomplete or has specific documents missing and correction is permitted the tenderer must submit, supplement, clarify or complete the relevant information or documentation within a strict time limit that represents the minimum time that a tenderer needs to make the correction.

25.3 If a tenderer uploads documents onto the E-Sourcing system which cannot subsequently be opened by the Council at the tender opening

ceremony, the Lead-Authorised Officer should ask the tenderer to re-submit its documents to them via the E-Sourcing system that can be accessed by the Lead-Authorised Officer. ~~This re-submission may be by email but a Lead Officer's email account should not be used for this purpose. All correspondence of this nature should be sent to a regularly monitored project, team or directorate mail box.~~

25.4 Tender documents must state how errors, such as omissions and inaccuracies in tenders submitted to the Council will be dealt with. Whichever process is followed it must be transparent and fair to all tenderers.

25.5 If a Contractor agrees to stand by an error which will cast doubt on its ability to perform the Contract, or to the standard required, or may result in legal dispute, then authority should be granted by the Solicitor to the Council~~relevant Director~~ before a tender is accepted on this basis. A copy of the report and decision must be sent to the CC&P Service~~Director~~ for monitoring purposes.

26. Submission of Tenders

26.1 All ~~tenders above £5,000 shall be submitted via the electronic tendering system. hard copy tenders shall be addressed to the Director (designated Officer).~~

26.2 ~~Subject to paragraph 25.3 w/h~~ here an the electronic tendering system is unavailable or deemed not appropriate for the procurement exercise, authorisation to use alternative electronic means of tender submission is required from~~which meets the satisfaction of~~ the Solicitor to the Council and the Chief Finance Officer, Invitations to Tender may be transmitted by electronic means.

26.3 Tenders may be submitted by electronic means provided that:

- (a) evidence that the transmission was successfully completed is obtained and recorded;
- (b) each tender submitted electronically is deposited in a secure mailbox approved by the designated Officer before the return date; and
- (c) electronic tenders are kept in a separate secure folder until the deadline is passed for receipt of tenders.

26.4 No hard copy tender may be considered unless it is contained in the approved form of envelope endorsed only with the word 'Tender' and the subject to which it relates and addressed and delivered to the designated Officer. The envelope must not bear any mark or name indicating the name of the sender.

26.5 The date and time of receipt of every hard copy tender shall be indicated on the envelope by the designated Officer and must remain in the secure custody of the Solicitor to the Council until the time and date appointed for their opening.

26.6 Any tender received after the opening of tenders has taken place, must be promptly returned to the tenderer. The tender may be opened to ascertain the name of the tenderer but no details of the tender may be disclosed.

26.7 No alteration of any tender shall be allowed after the closing date for the receipt of tenders except as allowed in accordance with post-tender negotiation.

27. Opening and Registration of Tenders

27.1 All tenders for a Contract shall be opened at one time in the presence of ~~at least two~~ three officers, one of which must be a Head of Service or above and not from the same service area. ~~member of the internal audit team and the appropriate Director.~~

27.2 A member of CC&P Director (or his nominees as relevant) shall at the time tenders are opened, record: ~~in a book kept for this purpose~~ the following:

- (a) the nature of the goods or services to be provided;
- (b) the name of each tenderer by or on whose behalf a tender was submitted;
- (c) the date and time of receipt of each tender as recorded on the envelope;
- (d) the amount of each tender
- (e) the date and time of the opening of the tender; and
- (f) the names of all persons present at the opening of the tenders.

27.3 The tenders opened shall be signed and dated by all present ~~by the Director.~~

28. Evaluation of Quotations or Tenders

28.1 Quotations or tenders may be evaluated on the basis of one of the following criteria:

- (a) the most economically advantageous quotation or tender where criteria other than price are important;

- (b) the highest price (if we are receiving the payment); and
- (c) the lowest price (if we are making the payment).

Contractors or suppliers must be advised in the Invitation to Quote or Tender which will be used:

If using criteria (a) all the criteria to be considered must be included in the Invitation to Quote or Tender. The inclusion of the criteria must be relevant, objectively justified and listed in order of importance e.g.:

- (i) technical excellence;
- (ii) price;
- (iii) quality of services work materials or goods; and
- (iv) a commitment to continuous improvement.

28.2 An evaluation record must be maintained and only Officers who are named on the evaluation record may take part in the evaluation process. At least two Officers must evaluate the tenders.

28.3 The ~~Lead~~Authorised Officer must decide how to evaluate tenders before they are invited and set out the evaluation method in the tender documents. The same standards must be used to evaluate all the tenders.

28.4 If it is necessary to discuss a particular tender with an individual Contractor or supplier to make sure what they are offering is understood, the discussions must not add anything to the tender.

28.5 If there is a simple mistake or arithmetical error in a bid, contact with the relevant Contractor or supplier can be made to obtain the Contractor's or supplier's amendment in writing.

28.6 Any additional information that may be submitted by a tenderer that was not submitted by the tender closing time and date can only be accepted after consultation with the Solicitor to the Council.

28.7 All detailed discussions about important or complicated points must be recorded. The Officers taking part and the Contractor or supplier must sign the record and it must be retained on file.

28.8 An evaluation report for the Director or Head of Service should be prepared advising upon the outcome of the evaluation process and details of the tenders evaluated.

28.9 During the evaluation stages details about the number of tenders received, where those tenders came from or what is in them will remain confidential. However financial, technical or legal advice can be sought to assist with the evaluation.

29. **Bonds and Parent Company Guarantees**

29.1 Directors and Heads of Service must consult the Solicitor to the Council and the Chief Finance Officer:

- (a) about whether a Parent Company Guarantee is required when a Contractor is a subsidiary of a parent company, and:
 - (i) the Total Value of the Contract exceeds £50,000; or
 - (ii) award is based on evaluation of the parent company; or
 - (iii) there is some concern about the stability of the Contractor.
- (b) About whether a bond is needed:
 - (i) where the Total Value of the Contract exceeds ~~£140,000~~£150,000 Directors and Heads of Service in consultation with the Solicitor to the Council must decide whether the circumstances justify the Council requiring the supplier to provide a bond ; -or
 - (ii) ~~where it is proposed to make staged or other payments in advance of receiving the whole of the subject matter of the Contract and there is concern about the stability of the Contractor~~All bonds must be in a form approved by the Solicitor to the Council.

30. **Post-Tender Negotiation**

30.1 **Post-tender negotiation may take place where:**

- (a) the tenders received are in excess of the budget provision; or
- (b) the appropriate Director or Head of Service, after consultation with the Solicitor to the Council, considers from an analysis of the tenders received, that additional financial or other benefits may be obtained for the Council through post-tender negotiation; and
- (c) a clause allowing for negotiation after tenders have been opened was included in the Invitation to Tender.

30.2 Any post-tender negotiation may be undertaken with the tenderer submitting the Preferred Bidder exclusively. However, where any such post-tender negotiation is proposed for other than the tenderer submitting the preferred tender then the opportunity for such post-tender negotiation shall be extended to all those who have submitted tenders.

30.3 Where any post-tender negotiations are appropriate a written record shall be kept of all negotiations, including notes of all meetings and the names of the individuals present, and placed on the Contract file.

31. Awarding Contracts

31.1 A Contract will only be awarded subject to the tender evaluation criteria. Where a tender is to be evaluated on price only the Contract must be awarded to the tenderer submitting the lowest price. Where a tender is to be evaluated on quality only the Contract must be awarded to the tenderer submitting the highest scoring tender.

31.2 Where a Contract is to be awarded on the basis of a price/quality evaluation and the difference between the Value of the lowest priced tender and the highest scoring submission is more than 5%, the Lead Authorised Officer must report this fact to the Officer who is taking the decision to award the Contract. This should be done by including a clear statement in the contract award decision report.

31.3 Contracts with a Value up to and including £50k which are based on the Council's standard terms and conditions, or on formally approved submitted terms and conditions, may be awarded and signed by an Officer with the requisite delegated authority to do so within the relevant service.

31.4 The decision to award a Contract will be made in accordance with the sub-delegation schemes that are in place. This report should give details of the reasons why tenders, if any, were disqualified and the reasons for the selection of Contractor(s).

31.5 Letters of Intent will only be used in very exceptional circumstances and following a decision. Where the terms and conditions of Contract are not fully agreed no Contractor will be allowed to commence delivery of goods, works or services until a full risk assessment has been carried out by the Lead Authorised Officer as to the possible implications to the Council of the Contractor being allowed to commence work before the Contract terms and conditions have been finalised. It is recommended that advice is taken from the Solicitor to the Council prior to entering into a Letter of Intent.

31.6 A tender may be accepted by the appropriate Director or Head of Service, provided that:

- (a) the Director or Head of Service notified the award of the Contract as an Officer decision on the forward plan and is published 28 days prior to the date of the decision;
- ~~(a)~~(b) The decision to award the contract is within the Director or Head of Service scheme of delegation as set out in part 3.9 of the constitution

- ~~(i) — the Solicitor to the Council; and~~
- ~~(ii)(i) in the case of a tender which falls above EU Procurement Levels, the Executive.~~
- ~~(b) — confirmation of receipt of notification has been returned to the Director by the Solicitor to the Council, and where required the Executive in accordance with (a) above;~~
- (c) where the Contract Value exceeds EU Procurement Levels the Contract is not awarded until the time period identified in Public Contract Regulations has elapsed (minimum 10 calendar days from midnight after decision); and
- (d) the identity of any tenderer other than the tenderer submitting the tender accepted shall not be disclosed to any other tenderer.

31.7 The acceptance of a tender shall be notified in writing to the tenderer submitting the successful tender by the appropriate Director or Head of Service.

31.8 Contract Conditions

31.9 Every Contract for goods and/or services shall state:

- (a) the goods or services to be provided;
- (b) the parties to the Contract, including any guarantor;
- (c) the price and any discounts, or the method by which prices and discounts are to be calculated, and the method and timing of payments;
- (d) the time within which the Contract is to be carried out; and
- (e) such other terms and conditions as may be agreed between the parties;

Unless the Solicitor to the Council considers it unnecessary or impractical the Contract shall also state:

- (a) that the Contractor will not assign the Contract without written consent of the supervising Officer/Contract administrator;
- (b) that the Contractor will pay liquidated damages (where these can be assessed and ascertained) or other damages to the Council should the terms of the Contract not be properly carried out, including the method by which such damages will be calculated and the circumstances in which they will be payable;

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- (c) the Contractor must provide evidence of adequate insurance to cover both Public and Employers' liability, appropriate indemnity provisions and any performance bond or parent company guarantee required;
- (d) that the Contractor shall not unlawfully discriminate within the meaning of the Race Relations Act 1976 or any comparable statutory provision relating to discrimination in employment, and shall ensure that all employees, agents and sub-Contractors do not unlawfully discriminate, and shall comply with all relevant codes of practice issued by the Commission for Racial Equality or comparable body and, so far as practicable, operate an equal opportunities policy which complies with the practical guidance and recommendations contained in such codes of practice;
- (e) that the Contractor shall adopt safe methods of work and comply with all other requirements of Health and Safety at Work legislation in order to protect the health and safety of its personnel and to the extent applicable the personnel of the Council and all other persons;
- (f) that the Contractor shall comply with Data Protection legislation and indemnify the Council in respect of the use, disclosure or transfer of personal data by the Contractor, its employees, agents and Sub-Contractors;
- (g) that the Council may cancel the Contract and recover any loss if the Contractor, its employees, agents and Sub-Contractors offer any inducement or reward relating to the Contract (even if the Contractor does not know what has been done) or commit any offence under the Prevention from Corruption Acts 1889 to 1916 or section 117(2) of the Local Government Act 1972;
- (h) where under any Contract, one or more sums of money are to be received by the Council, the Contractor responsible for the payment of such sum or sums must pay interest at the rate stated in the Contract from the date when payment is due until the date when payment is received;
- (i) whenever, under the Contract any sum of money is recoverable from or payable by the Contractor, this sum may be deducted from any sum due or which at any time may become due to the Contractor under this or any other Contract with the Council;
- (j) the Contractor must not sub-Contract the works or any part of the works, without prior written consent of the appropriate Director, no sub-letting by the Contractor will relieve the Contractor of its liability to the Council for the proper performance of the Contract and the Contractor remains

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responsible to the Council for the proper performance and observance by all sub-Contractors of all the Contractor's obligations; and

- (k) the principles of Best Value required and any other terms and conditions specified by the Solicitor to the Council (who has general powers to set standard and special Contract conditions).

31.10

Any standard terms and conditions of Contract submitted by Contractors shall not be accepted without advice from the Solicitor to the Council.

32.

Waiver of Contract Procedure Rules

32.1

Waiver of Contract Procedure Rules is only permitted where:

- (a) EU Procurement Rules do not prevent the use of an exemption, and
- (b) one of the following applies:

32.2

- (i) the consent in writing to use one of the exemptions referred to under paragraph 32.3 has been obtained; or
- (ii) where the exemption is made by the Executive or a committee which are satisfied that special circumstances justify an exemption (and recorded in the minutes);
- (iii) in a case of urgency, the consent of any Executive Member with delegated powers has been obtained by a formal decision notice.

32.3

Waiver for which the consent in writing of the Solicitor to the Council after consultation with the Chief Finance Officer can be given:

- (i) purchases at public auction;
- (ii) the procurement of proprietary or patented goods or materials or services which in the opinion of the appropriate Director are obtainable only from one Contractor, and where no reasonably satisfactory alternative is available;
- (iii) the purchase of goods or materials, the execution of works or supply of services for which the Director considers that no genuine competition can be obtained;
- (iv) the purchase of a named product required to be compatible with an existing installation;
- (v) the execution of Work or supply of Services of a specialised

nature which in the opinion of the appropriate Director are carried out by only one Contractor and where no reasonably satisfactory alternative is available.

- (vi) The instruction of, advice from, or service provided by Counsel;
- (vii) The purchase of a work of art or museum specimen;
- (viii) Purchases, works and services required by the appropriate Director so urgently as not to permit compliance with the requirements of competition;
- ~~(ix)~~ Procurements where the number of quotations or tenders received are below that required by these Contract Procedure Rules.

~~(ix)~~—

32.4 An exemption is not required to procure the purchase of goods or materials, the execution of works or supply of services, where a Framework Arrangement or Contracts is let through or on behalf of a public body, consortium, association or similar body provided that tenders or quotations are invited and Contracts placed in accordance with procedures which are equivalent to these Contract Procedure Rules and also comply with any national or EU legislation.

32.5 The Solicitor to the Council, in consultation with the Chief Finance Officer, may only grant an exemption in relation to a Contract with a Value which exceeds £50,000 after consultation with the appropriate Executive Member.

32.6 In each case a note of the action taken and the reasons therefore must be recorded on the Contract file for audit purposes.

33. Signature/Sealing and Form of Contract

33.1 Every written Contract must be signed or sealed in accordance with this Rule:

33.2 Contracts not exceeding £50,000 shall be signed by the relevant Director (or an Officer authorised by him under Part 3 of the Constitution).

33.3 Contracts that exceed £50,000 shall be sealed by the Solicitor to the Council or other Officer authorised to attest to the seal on behalf of the Council.

- (a) Where the Contract Value is no greater than £50,000 the Contract shall be approved and signed in accordance with paragraph ~~33.2~~ unless:

- (i) The Contract is in a standard form previously approved by the Solicitor to the Council; or
- (ii) Is to be dealt with on an official order and signed by the appropriate Director.

34. Contract Extensions and Variations

34.1 Contract extensions are only permitted if they are put in place before the Contract expiry date and where the proposed extension is in accordance with the Contract terms. Prior to seeking approval from the relevant Director to take up a Contract extension the Lead Officer must establish whether the extension will deliver Best Value. This process must be recorded in writing.

34.2 Any Contract extension must be approved by and dealt with by the relevant Director or Head of Service. The decision to extend a Contract will be treated as a new decision that is not a consequence of the initial decision to procure; it may be a Key decision, depending on Value and impact of the decision.

34.3 All extensions to any Council Contracts must be in writing and reported to the Solicitor to the Council and ~~Lead Officer~~Head of CC&Per in order that the E-Sourcing system can be updated.

34.4 Once a Contract has expired it cannot then be extended.

34.5 No extension to a Contract is permitted which would have the effect of taking the Total Value of a Contract which was not let in accordance with EU procurement regulations above EU thresholds.

34.6 If the original Contract was let in accordance with EU procurement regulations the Contract can only be extended within the parameters identified in the original EU Contract notice.

33.7 Subject to paragraphs ~~376.5~~ and ~~376.6~~ a Director or Head of Service may, with the consent of the Solicitor to the Council, extend a Contract subject to the extension being within the scope of the original Contract specification. All such decisions shall be maintained on the Contract file and a copy sent to the Head of CC&P~~Lead Officer~~.

34.8 If the Contract was awarded as a framework Contract, the total Contract period, including any extensions shall not exceed 4 years.

34.9 Variations

34.10 Variations to Contracts will be dealt with in accordance with these Contract Procedure Rules and the Council's Financial Procedure Rules.

34.10 All Contract variations must be carried out within the scope of the original Contract. Contract variations that materially affect or change the scope of the original Contract are not allowed.

34.11 All Contract variations must be in writing and signed by both the Council and the provider except where different provisions are made within the Contract documentation. The Value of each variation must be assessed by the ~~Lead-Authorised~~ Officer and a Delegated Decision taken by the relevant Director ~~or Head of Service~~. The Solicitor to the Council should be consulted to the extent that the Director ~~or Head of Service~~ considers necessary and, in particular, if there is any possibility that CPR ~~36~~.15 might apply.

34.12 Where appropriate (taking into account any change in Contract Value, Contract term, range of services provided etc.) Contract variations must be reported to the ~~Head of CC&P~~~~Lead-Officer~~ in order that the E-Sourcing system can be updated.

34.13 A new procurement is required in case of material change where one or more of the following conditions are met:

~~34~~3.13.1 – The variation introduces conditions which, had they been part of the initial procurement exercise, would have allowed for the admission of other tenderers than those initially selected or for the acceptance of an offer other than that originally accepted or would have attracted additional participants in the procurement procedure;

~~34~~3.13.2 – The variation increases the Total Value of the Contract or the framework agreement substantially in favour of the provider in a manner which was not provided for in the initial Contract or framework agreement;

~~34~~3.13.3 – The modification extends the scope of the Contract or framework agreement considerably.

34.14 You must consult the Solicitor to the Council if you are considering varying a Contract that you have procured under CPR 12.

35. Signing and Sealing

35.1 All Contracts presented for signing and sealing shall be accompanied by a statement of the Council's authority to enter into the Contract or seal the document. The statement shall specify the appropriate resolution giving the authority or in the case of an authority delegated to an Officer shall specify the precise delegated authority being exercised.

36. Nominated Sub-Contractors

36.1 These CPRs shall apply where a sub-Contractor or supplier is to be

nominated by a main Contractor.

37. **Post Contract Monitoring and Evaluation**

37.1 During the life of the Contract the Lead-Authorised Officer must monitor in respect of:

- (a) performance
- (b) compliance with specification and Contract;
- (c) cost;
- (d) any Best Value requirements; and
- (e) user satisfaction and risk management.

37.2 A Contract must not be terminated, assigned, varied or novated without first obtaining advice from the Solicitor to the Council and any requisite authorisation.

38. **Definition and Interpretation**

38.1
43.3 In these CPRs the following definitions apply unless the context requires otherwise:

“Authorised Officer” An Officer authorised by a Director or Head of service to act on their behalf within the scheme of delegation.

“CPRs”	Contract Procedure Rules
“Call Off”	Goods, services or works purchased from time to time under a Framework Contract or Arrangement
“Committee”	Any Committee or sub-Committee of the Council
“Chair”	A Chair of a Committee or the Vice-Chair of a Committee of the Chair is absent or unavailable
“Contract”	Any agreement for the supply of goods, materials or services, the execution of works or the awarding of concessions
“Contract File”	A record of all matters relating to

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	a Contract
“Contractor”	A supplier of goods, materials, works, services or concessions
“EU Contract”	A Contract covered by the Public Supply, Works or Services Contracts Regulations
“Executive”	Includes the Leader and individual Executive Members if the Executive delegates the relevant function to them
“Framework Contract”	A general term for agreements with suppliers which sets out terms and conditions under which specific purchases (“call-offs”) can be made throughout the term of the agreement. Such arrangements can create an obligation to make call-offs (a framework agreement) or set out the terms and conditions for subsequent call-offs but place no obligations, in themselves, on the procurers to buy anything (a framework arrangement)
“Measured Term”	Measured Term Contract (MTC) is an arrangement whereby a Contractor undertakes to carry out a series of works orders, over a period of years (defined)
“Goods and/or Services”	Includes services and supplies as defined in Regulation 2 of the PCRs
“Hard Copy Tender”	A tender document provided to the Council in paper form
“Invitation to Quote and/or ITQ”	Invitation to quote documents in the form required by Contract Procedure Rules
Invitation to Tender and/or ITT”	Invitation to tender in the form required by Contract Procedure Rules

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“Key Decision”	Any expenditure or savings of more than £150,000 are classed as a Key Decision
“Nominated Suppliers”	Those persons specified in a main Contract for the discharge of any part of that Contract
“Preferred Bidder”	The tenderer submitting the tender that scored highest under the adopted criteria for evaluating tenders
“PQQ”	Pre-qualification Questionnaire
“Officer”	The Officer designated by a Director or Lead Officer to deal with the Contract in question
“OJEU”	The Official Journal of the European Union
“Parent Company Guarantee”	A Contract which binds the parent of a subsidiary company as follows: If the subsidiary company fails to do what it has promised under a Contract with the Council, they can require the parent company to do so instead.
“Rules”	Means these Contract Procedure Rules
“Tenderer”	Any person who is invited to submit a tender for the supply of goods, materials, works, services or concessions to the Council
“Total Value”	<p>The whole of the Value or estimated Value in money or equivalent Value for a single purchase or disposal, whether or not it comprises several lots or stages</p> <p>The Total Value shall be calculated as follows:</p> <p>(a) where the Contract is for a fixed period, by taking the</p>

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total price to be paid or which might be paid during the whole of the period;

- (b) where the purchase involves recurrent transactions for the same type of item, by aggregating the Value of those transactions in the coming 12 months;
- (c) where the Contract is for an uncertain duration, by multiplying the monthly payment by 48;
- (d) for feasibility studies, the Value of the scheme or Contracts which may be awarded as a result;
- (e) for nominated suppliers and sub-Contractors, the total Value shall be the Value of that part of the main Contract to be fulfilled by the nominated supplier or sub-Contractor; and
- (f) where an in-house service provider is involved, by taking into account redundancy and similar/associated costs

“Value” See Total Value

“Year” A year commencing on the 1 April and finishing on the following 31 March

References to **“lowest tender”** or **“lowest tenderer”** means **“highest tender”** or **“highest tenderer”** where payment is to be received by the Council.

Timescale trackers – Public Contracts Regulations 2006 and 2015

The contract award procedures under both the Public Contracts Regulations 2006 and the Public Contracts Regulations 2015 come with a confusing array of minimum timescales, and possible reductions to those timescales. In addition, for procurements under the 2015 Regulations, non-central government contracting authorities enjoy a certain amount of flexibility around the setting of timescales, subject to agreement with and safeguards for bidders.

Note that the periods given are the minimum timescales permitted by the legislation. Consideration should always be given to the complexity of the procurement, and a reasonable time must be given to allow suppliers to compile their responses. If your procurement is regulated by the Public Contracts Regulations 2015, you must also take into consideration the general rules around setting of time limits that are set out at **Regulation 47.**

The overriding requirement when setting timescales is to allow sufficient time for suppliers to prepare appropriate responses, taking account of the subject of the proposed contract, the contract award procedure to be used and the need, for example, for site visits. The table below sets out the minimum permitted timescales and the maximum permitted reductions.

An appropriate time period will also need to be allocated for other aspects of the procurement process, e.g. evaluation of tender responses.

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Minimum timescales under the Public Contracts Regulations 2006:

<u>Choice of procedure and stage</u>	<u>Standard timescales</u>	<u>Contract notice despatched to OJEU electronically¹</u>	<u>Tender documents made available electronically from date of OJEU notice²</u>	<u>Requirement is urgent and longer time limit is impractical as a result</u>	<u>PIN published no more than 12 months and no less than 52 days from despatch of contract notice</u>
OPEN					
<u>Despatch of contract notice to receipt of responses</u>	<u>52 days</u>	<u>7 day reduction</u>	<u>5 day reduction</u>		<u>30 day reduction</u>
<u>Standstill</u>	<u>10 days³</u>				
RESTRICTED					
<u>Despatch of contract notice to receipt of responses</u>	<u>37 days</u>	<u>7 day reduction</u>		<u>Reduction to 15 days (10 where contract notice transmitted by electronic means)⁴</u>	
<u>ITT to receipt of bids</u>	<u>40 days</u>		<u>5 day reduction</u>	<u>Reduction to 10 days⁴</u>	<u>18 day reduction</u>
<u>Standstill</u>	<u>10 days³</u>				
NEGOTIATED WITH NOTICE					
<u>Despatch of contract notice to expression of interest</u>	<u>37 days</u>	<u>7 day reduction</u>		<u>Reduction to 15 days (10 where contract notice transmitted by electronic means)</u>	
<u>ITN to receipt of responses</u>	<u>Sufficient time for those invited to formulate their offers</u>				
<u>Standstill</u>	<u>10 days</u>				
COMPETITIVE DIALOGUE					
<u>Despatch of contract notice to expression of interest</u>	<u>37 days</u>	<u>7 day reduction</u>			
<u>Standstill</u>	<u>10 days³</u>				

¹ Electronic despatch – notices must be despatched electronically in accordance with all relevant EU procedures

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² Documents available electronically – the OJEU notice must specify the internet address from which the documents are made available. Guidance issued by the OGC and Office of the OJEU states that in order to qualify for this reduction, access to the electronic resource (e.g. website) must be totally unrestricted. This will *not* be the case if bidders have to register and / or log-in.

³ Standstill – the final day of the standstill period must be on a working day, and the standstill period may be up to 15 days where the contract award notice is not sent by electronic means.

⁴ Accelerated restricted – an accelerated timetable was potentially available for the restricted procedure for major projects that would be of benefit to industry in the economic climate during 2009/2010/2011. This relaxation of the application of the accelerated timetable ceased to apply from 1 January 2012.

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Minimum timescales under the Public Contracts Regulations 2015:

<u>Choice of procedure and stage</u>	<u>Standard timescales</u>	<u>Contract notice despatched to OJEU electronically¹</u>	<u>Tender documents made available electronically from date of OJEU notice²</u>	<u>Requirement is urgent and longer time limit is impractical as a result</u>	<u>PIN published no more than 12 months and no less than 52 days from despatch of contract notice</u>
<u>OPEN</u>					
<u>Despatch of contract notice to receipt of responses</u>	<u>35 days</u>		<u>5 day reduction</u>	<u>Period reduced to 15 days</u>	<u>Period reduced to 15 days</u>
<u>Standstill</u>	<u>10 days</u>				
<u>RESTRICTED</u>					
<u>Despatch of contract notice to receipt of responses</u>	<u>30 days</u>			<u>Period reduced to 15 days</u>	
<u>ITT to receipt of bids</u>	<u>30 days</u>			<u>Period reduced to 15 days</u>	
<u>Standstill</u>	<u>10 days</u>				
<u>COMPETITIVE WITH NEGOTIATION</u>					
<u>Despatch of contract notice to expression of interest</u>	<u>30 days</u>			<u>Period reduced to 15 days</u>	
<u>ITN to receipt of initial tenders</u>	<u>30 days</u>	<u>May agree time-limit with tenderers – in absence of agreement minimum period is 10 days</u>	<u>5 day reduction</u>	<u>Period reduced to 10 days</u>	<u>Period reduced to 10 days</u>
<u>Standstill</u>	<u>10 days</u>				
<u>COMPETITIVE DIALOGUE</u>					
<u>Despatch of contract notice to expression of interest</u>	<u>30 days</u>	<u>7 day reduction</u>			
<u>Standstill</u>	<u>10 days</u>				
<u>INNOVATION PARTNERSHIP</u>					
<u>Despatch of contract</u>	<u>30 days</u>				

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<u>notice to expressions of interest</u>					
<u>Standstill</u>	<u>10 days</u>				

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