



Meeting: **POLICY REVIEW COMMITTEE**  
Date: **TUESDAY, 10 SEPTEMBER 2019**  
Time: **5.00 PM**  
Venue: **COMMITTEE ROOM - CIVIC CENTRE, DONCASTER ROAD,  
SELBY, YO8 9FT**  
To: **Councillors A Lee (Chair), K Arthur (Vice-Chair),  
J Cattanach, M McCartney, J Shaw-Wright, T Grogan,  
M Jordan and R Packham**

## Agenda

### 1. Apologies for Absence

### 2. Disclosures of Interest

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

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

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

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

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

### 3. Minutes (Pages 1 - 6)

To confirm as a correct record the minutes of the meeting of the Policy Review Committee held on 23 July 2019.

### 4. Chair's Address to the Policy Review Committee

### 5. Medium Term Financial Strategy (PR/19/4) (Pages 7 - 58)

To consider the contents of the report and make any comments on the Council's Medium Term Financial Strategy.

**6. Housing, Affordable Housing and Housing Need at SDC - An Overview (PR/19/5)**

To receive a presentation (at the meeting) and accompanying report (to follow) giving an overview of the housing service at Selby District Council, including affordable housing and housing need.

**7. Progress with the Implementation of the Air Quality Action Plan (PR/19/6) (Pages 59 - 78)**

To consider and comment on the progress with the implementation of the Air Quality Action Plan.

**8. Work Programme 2019-20 (Pages 79 - 82)**

To consider the Committee's work programme for 2019-20.

*Janet Waggott*

**Janet Waggott, Chief Executive**

<p><b>Dates of next meetings (5.00pm)</b> Tuesday, 15 October 2019</p>
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Enquiries relating to this agenda, please contact Victoria Foreman on 01757 292046 vforeman@selby.gov.uk.

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## Minutes

### Policy Review Committee

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Venue:	Committee Room - Civic Centre, Doncaster Road, Selby, YO8 9FT
Date:	Tuesday, 23 July 2019
Time:	5.00 pm
Present:	Councillors A Lee (Chair), K Arthur (Vice-Chair), J Cattnach, M McCartney, J Shaw-Wright, M Jordan and R Packham
Officers present:	Julie Slatter, Director of Corporate Services and Commissioning, June Rothwell, Head of Operational Services, Sarah Thompson, Housing and Environmental Health Service Manager, Hannah McCoubrey, Housing Strategy Officer, Victoria Foreman, Democratic Services Officer
Others present:	Councillor C Pearson, Executive Lead Member for Housing, Health and Culture
Public:	0
Press:	0

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#### **8 APOLOGIES FOR ABSENCE**

There were no apologies for absence.

#### **9 DISCLOSURES OF INTEREST**

There were no disclosures of interest.

#### **10 MINUTES**

The Committee considered the minutes of the meeting held on 11 June 2019.

#### **RESOLVED:**

**To approve the minutes of the Policy Review Committee meeting held on 11 June 2019 for signing by the Chair.**

**11 CHAIR'S ADDRESS TO THE POLICY REVIEW COMMITTEE**

The Chair welcomed Members to the meeting, and reminded them that they could make suggestions as to the content of the Committee's work programme and the subsequent focus of the work of the Committee.

**12 EMPTY HOMES STRATEGY (PR/19/3)**

The Committee received the report of the Council's Housing and Environmental Health Service Manager, which asked Members to consider and comment on progress with the delivery of the Empty Property Strategy and Action Plan.

Members noted that the North Yorkshire Empty Property Strategy and local Selby District Action Plan was agreed and adopted in January 2018. The North Yorkshire Empty Property Strategy aimed to reduce the number of long-term empty homes through a co-ordinated approach, and the local Action Plan set out how the Council would target empty homes across the district and encourage, support and enforce owners to bring Empty Homes back into use. The report provided an update on the progress made since the implementation of the strategy and action plan in April 2018.

Officers explained that in 2018-19, 24 empty properties had been brought back into use; in the first quarter of 2019-20, this number was 14. There were currently 426 empty properties in the District, 151 of which had been empty for at least two years. The importance of the Council's involvement early on was emphasised by Members, in order to prevent properties from becoming empty in the very long term, i.e. over two years.

In response to a question regarding enforcement action, the Committee noted that there was currently one compulsory purchase of a property in progress. It was explained that this could be a long process, sometimes taking 18 months to two years to complete. Other enforcement action that had been undertaken included the boarding up of properties and investigation of complaints by neighbours.

Members learnt that properties empty for over two years were required to pay 200% council tax, which the Committee were surprised to hear, did not always act as a deterrent. Officers confirmed that the Council had the power to increase to 300% if it went over 10 years; in 2018-19, the proportion of council tax collected from properties that were empty for over two years was approximately £117k.

The Committee also noted that the money received in a grant from Homes England to tackle empty properties was not always used for voluntary or compulsory purchase costs, but also refurbishment.

Members suggested that Officers give special consideration to identifying empty flats and rooms over shops, which if reoccupied would meet a significant housing need in town centres. It was explained that the geographical spread of empty properties in the District was fairly even, and that the focus of Officers tended to be on areas that had particular housing need.

Members queried if there were other means by which empty homes were identified apart from the council tax register; Officers explained that others may come to light through complaints from neighbours or local residents, feedback from Neighbourhood Officers, and referral through the council tax Fraud Officer. The Fraud Officer identified both businesses not paying business rates as well as properties not registering for council tax. In the first year the Fraud Officer had identified £200k worth of unpaid rates across the District.

The Committee suggested that Officers also ensure that they were using information gathered as part of the annual canvass, which was the process by which the electoral register was updated. Canvassers out in the community and returned forms could be an important source of additional information for the work on empty homes.

Members queried whether more could be done to promote financial assistance that was on offer to people to help them bring empty properties back into use. Officers explained that there were incentives and encouragement, such as the tenant find scheme which matched prospective landlords and tenants, but that dealing with the issues around empty homes could be a slow process and that there was an opportunity to do more around promoting the help the Council could offer.

The Committee emphasised the importance of having a clear strategy and signposting that set out the approach of the Council to empty properties and how they were dealt with. It was acknowledged that some owners were reluctant to bring their properties back into use, which could cause significant delays. The preferred option for the Council was voluntary purchase, but compulsory purchase could be used as an ultimate sanction if required. It was hoped that the conclusion of the current compulsory purchase case would act as a deterrent to others helping to ensure that further compulsory purchases need not be pursued.

Members were pleased to note that the Empty Homes Officer had been actively inquiring into the compulsory sale of two properties, which had subsequently encouraged the owners to start to take action themselves. It was suggested that the Council's knowledge of these empty properties could be of strategic advantage for purchase and investment.

The Committee agreed that there should be specific targets set by the Council for the number of empty properties they aimed to bring back into use each year. It was suggested that Officers undertake some benchmarking of performance in comparison with other local authorities,

and report back to the Committee with a view to using this data to set such targets. Members noted that there was already a key performance indicator (KPI) for empty homes, which was reported on in the quarterly performance reports submitted to the Executive and Scrutiny Committee.

Officers confirmed that they would speak to colleagues at other authorities in order to share ideas and best practice, as well as gathering performance figures for benchmarking purposes.

**RESOLVED:**

- i. To note progress with the delivery of the Empty Property Strategy and Action Plan.**
- ii. To ask the Empty Homes Officer to specifically assess flats and rooms over shops across the District as potential empty homes that could be brought back into use.**
- iii. To ask Officers to ensure that relevant information on empty homes gathered as part of the annual canvass to update the Electoral Register be shared with the Empty Homes Officer.**
- iv. To ask Officers to report back to the Committee with benchmarking data from other local authorities on dealing with empty homes, with a view to the setting of a target for the number of homes being brought back into use.**

**13 WORK PROGRAMME - POLICY REVIEW COMMITTEE 2019-20**

The Committee considered the 2019-20 work programme as set out at pages 13 to 15 of the agenda.

Members had a wide ranging discussion on the aims and interests of the Committee, and proposed the following changes to the work programme for 2019-20:

- That following an overview of the Council's housing service and related issues at the September meeting, the issue of North Yorkshire Home Choice be brought back to the Committee in October.
- That the two separate items on 'Housing at Selby District Council – An Overview' and 'Affordable Housing and Housing Need' be combined into one item for the September meeting.
- That the update item on Universal Credit be moved to the October meeting.
- That an item on future tech provision and infrastructure (such as

broadband in new homes, solar panels, electric car charging points) and the low carbon/'green' agenda be added to the work programme for future consideration, potentially at the October meeting. Members noted that such matters would need to be considered in the context of the new Local Plan, when that came to fruition.

- That an update should be provided on the Car Parking Strategy/Policy at a future meeting.
- That the Council's Private Sector Assistance Policy be considered by the Committee at a future meeting.
- The issue of empty industrial units was raised an issue attention but it was subsequently decided that this would be more appropriately considered at Scrutiny Committee.
- Whether the Council had or was developing an AirBnB policy was queried by the Committee; it was subsequently decided that, at present, the rental of properties managed by companies such as AirBnB was not an issue in the District, but that it could be added to the 'potential items' area of the work programme for future reference, should any problems occur.
- Lastly, the matter of Council owned garages was raised by the Committee' Officers confirmed that information on this could be covered in the Housing update due at the September meeting, as they formed part of the Housing Revenue Account.

**RESOLVED:**

- To note the work programme for 2019-20.**
- That North Yorkshire Home Choice be brought back to the Committee for consideration in October.**
- That the two separate items on 'Housing at Selby District Council – An Overview' and 'Affordable Housing and Housing Need' be combined into one item for the September meeting.**
- That the update item on Universal Credit be moved to the October meeting.**
- That an item on future tech provision and infrastructure (such as broadband in new homes, solar panels, electric car charging points) and the low carbon/'green' agenda be added to the work programme for future consideration, potentially at the October meeting.**

- vi. That an update should be provided to the Committee on the Car Parking Strategy/Policy at a future meeting.
- vii. That the Council's Private Sector Assistance Policy be considered by the Committee at a future meeting.
- viii. That the issue of empty industrial units would be more appropriately considered by the Scrutiny Committee.
- ix. That the use of AirBnB properties in the District be added to the 'potential items' area of the work programme for future reference, should any problems occur.
- x. That issues around Council owned garages be covered in the Housing Overview item due at the September meeting, as they formed part of the Housing Revenue Account.

The meeting closed at 6.00 pm.





**Report Reference Number:** PR/19/4

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**To:** Policy Review Committee  
**Date:** 10 September 2019  
**Status:** Key Decision  
**Ward(s) Affected:** All  
**Author:** Victoria Foreman, Democratic Services Officer  
**Lead Executive Member:** Councillor Cliff Lunn, Lead Member for Finance and Resources  
**Lead Officer:** Karen Iveson, Chief Finance Officer

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**Title: Medium Term Financial Strategy**

**Summary:**

The Policy Review Committee is asked to consider the report of the Chief Finance Officer which presents an update to the Medium Term Financial Strategy (MTFS) covering both the General Fund and Housing Revenue Account (HRA) prior to consideration by Council on 17 September 2019. The report will also be considered by the Executive on 5 September 2019; a verbal update on the Executive's discussions will be given at the meeting by Officers.

**Recommendation:**

**The Policy Review Committee is asked to consider the contents of the report and make any comments on the Council's Medium Term Financial Strategy.**

**Reasons for recommendation**

The Committee is asked to consider the information as set out in the report as part of their role in contributing to the development of policies contained in the Budgetary and Policy Framework of the Council. The information contained within the report presents an update that takes into account changes to the key assumptions within the MTFS. Comments are invited from the Policy Review Committee prior to consideration of the MTFS by full Council.

**1. Introduction and background**

**1.1** Please see section 1 of the report to be considered by the Executive on 5 September 2019, attached to this report at Appendix A.

**2. The Report**

**2.1** Please see section 2 of the report to be considered by the Executive on 5 September 2019, attached to this report at Appendix A.

### **3. Alternative Options Considered**

None.

### **4. Implications**

#### **4.1 Legal Implications**

Please see section 4.1 of the report to be considered by the Executive on 5 September 2019, attached at Appendix A to this report.

#### **4.2 Financial Implications**

Please see section 4.2 of the report to be considered by the Executive on 5 September 2019, attached at Appendix A to this report.

#### **4.3 Policy and Risk Implications**

Not applicable.

#### **4.4 Corporate Plan Implications**

The Council's Corporate Plan sets out long term plans to make Selby District a great place to do business, enjoy life, make a difference, supported by the Council delivering great value. An effective scrutiny function is essential to fair and transparent decision making, which underpins the work of the Council. This Policy Review Committee contributes to the scrutiny and development of policies contained in the Budgetary and Policy Framework of the Council. The information contained within the report presents an update that takes into account changes to the key assumptions within the MTFS.

#### **4.5 Resource Implications**

None applicable.

#### **4.6 Other Implications**

Not applicable.

#### **4.7 Equalities Impact Assessment**

Please see section 4.7 of the report to be considered by the Executive on 5 September 2019, attached at Appendix A to this report.

### **5. Conclusion**

#### **5.1** The Policy Review Committee discharges elements of the Council's statutory overview and scrutiny functions; the Committee's comments and observations on the MTFS are welcomed.

**6. Background Documents**

None.

**7. Appendices**

Appendix A – Executive Report – 5 September 2019

Further appendices to the Executive report are also included:

Annex 1 – MTFS Update

Appendix A1-3 - General Fund 10 Year Model

Appendix A4 - Housing Revenue Account 10 Year Model Mid Case

Appendix B – Reserves

Appendix C – Planned Savings

Appendix D – Capital Programme

Appendix E – Programme for Growth

**Contact Officer:**

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**Report Reference Number: E/19/12**

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**To: Executive**  
**Date: 5 September 2019**  
**Status: Non 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**

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**Title: Medium Term Financial Strategy**

**Summary:**

This report presents an update to the Medium Term Financial Strategy (MTFS) covering both the General Fund and Housing Revenue Account (HRA) prior to consideration by Council later this month.

The key assumptions that underpin the strategy have been updated - Policy Review Committee members will be consulted prior to Council considering it later in September.

The MTFS highlights the delays to the Fair Funding Review and the reform of the Business rates Retention system, following HM Treasury's announcement there will be a one year settlement for 2020/21 and the system will be reviewed in 2020. It is assumed therefore, that the settlement for 2020/21 will be a roll-forward from 2019/20 which could result in a further year the renewable energy business rates windfall. Should the Local Government Finance Settlement be announced early then any necessary changes will be incorporated into the draft Budget as part of the process during the autumn.

The MTFS identifies risk and uncertainty around business rates retention, on-going reductions to Government funding and wider economic uncertainty at the prospect of a no-deal Brexit.

The MTFS confirms the Council's strategic approach to continuing to reduce its base revenue budget and investing 'one-off' or finite resources to stimulate local economic growth and achieve sustainable income through Council Tax and Business Rates growth.

The MTFS also sets out the Council's reserves strategy which seeks to set aside sums to cover known commitments and cover financial risk as well as earmarking resources to support delivery of the Council's Corporate Plan.

Following the district elections in May 2019, a number of emerging cost pressures have been identified. Some resources are available for allocation from the Special Projects Reserve in 2020/21 but these are not recurring and therefore any additional on-going costs would increase the need for base budget savings.

Progress is being made against our savings targets but we are lagging behind profile and therefore additional drawdown from the Business Rates Equalisation Reserve is expected.

Based on the assumptions within the MTFS the savings requirement is estimated to rise to £2.4m over the next 3 years.

### **Recommendations:**

It is recommended that:

- i) **The Medium Term Financial Strategy be submitted to Council for approval;**

### **Reasons for recommendation**

To set the framework for the 2020/21 budget and Medium Term Financial Plan to 2022/23.

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

- 1.1 This report presents an update taking into account changes to the key assumptions within the strategy. The draft MTFS including associated appendices is attached at **Appendix 1**.
- 1.2 The strategy covers both the General Fund and HRA to provide a holistic view of the Council's finances.
- 1.3 Comments on the MTFS will be invited from Policy Review Committee members prior to consideration by full Council.

## **2. The Report**

- 2.1 The attached update paper models the Council's revenue budgets over the next 10 years although major risk and anticipated changes within the financing system mean that meaningful future forecasting is extremely difficult. A mid-range forecast is the scenario that is proposed as the basis for the budget round for 2020/21.
- 2.2 Significant changes to the Business Rates Retention Scheme were previously anticipated following the Government's announcement that in future 100% of Business Rates will be retained by Local Government and Revenue Support Grant would be phased out. Since then these plans have been scaled back and the Government is now piloting 75% Business Rates Retention in 2019/20. The reform of the Local Government Finance System was anticipated from 2020/21 but as result of political challenges nationally and the prospect of the no-deal Brexit HM Treasury has announced there will be a one year settlement for 2020/21 and the system will be reviewed in 2020.
- 2.3 It is assumed therefore, that the settlement for 2020/21 will be a roll-forward from 2019/20 which could result in a further year the renewable energy business rates windfall. However, it is not proposed to allocate or commit these funds until they are confirmed. Should the Local Government Finance Settlement be announced early then any necessary changes will be incorporated into the draft Budget as part of the process during the autumn.
- 2.4 For the HRA the MTFs aligns with the refreshed HRA Business Plan and models the on-going a CPI +1% increase in housing rents following 4 years of 1% reductions (2019/20 being the final year of the Government's 4 year reduction plan).
- 2.5 The MTFs mid-case scenario assumes a Council Tax rise of £5 (2.8%) for 2020/21, although a maximum of 3% was allowable under referendum principles for 2019/20.
- 2.6 The Council's approach to the management of its reserves is also re-confirmed in the MTFs – earmarking resources to cover commitments, manage risk and support growth, with £1.5m retained as a minimum general working balance for both the General Fund and HRA.
- 2.7 Following the district elections in May 2019, a number of emerging cost pressures have been identified, including: street contract service standards, additional ICT investment and internal capacity issues. Some resources are available for allocation from the Special Projects Reserve in 2020/21 but these are not recurring and therefore any additional on-going costs would increase the need for base budget savings.
- 2.8 Based on the assumptions updated within the MTFs, taking the forecast resources available and assuming costs are contained within the net revenue budget, the estimated deficit before planned savings is £2.4m; after planned savings the residual shortfall on the General Fund is estimated at £402k by

2022/23. Without planned savings, across the 4 years, including this current year the total shortfall would be £7.2m.

- 2.9 Given the risk within our savings programme £7m has been held back in the Business Rates Equalisation Reserve in addition to 3 years safety net top up per current policy. Delays to our savings plans in 2019/20 make it likely that additional resources will have to be drawn down to support the revenue budget. It must be stressed however that using reserves to support the revenue budget in this way is not sustainable and failure to deliver the savings target would undermine the Council's long term financial resilience and therefore work to deliver and identify further savings to bridge any gap must continue.
- 2.10 The HRA is experiencing its own challenges following 4 years of rent reductions. Savings are planned in order to maximise in-year HRA surpluses whilst setting aside sufficient sums to repay the self-financing debt. Revenue surpluses are transferred to the Major Repairs Reserve to fund enhancements to the Council's housing stock and a long term programme to deliver a decent homes 'plus' standard and support 1-for-1 replacement of homes sold through right-to buy.
- 2.11 Whilst revenue resources are challenging, capital receipts remain relatively buoyant which will enable the Council's capital programmes to be sustained as we consider opportunities to further invest in housing related schemes alongside the Programme for Growth and other reserve programmes which aim to deliver more sustainable income streams whilst improving outcomes for citizens and delivering internal efficiencies. Proposals for changes to our recycling arrangements and street scene vehicle fleet have also been included within our capital plans.

### **3. Alternative Options Considered**

- 3.1 The MTFs models mid, best and worst case scenarios, which are set out at Appendix A.

### **4. Implications**

#### **4.1 Legal Implications**

None as a direct result of this report.

#### **4.2 Financial Implications**

- 4.2.1 The financial issues are highlighted within the body of the report. The estimated deficit rises to £2.4m by 2022/23. Work is progressing towards the target but there is a shortfall forecast in 2019/20. This can be off-set by savings in-year and/or an additional draw down from the Business Rates Equalisation Reserve but focussed effort is needed to bring this back on track.



4.2.2 Further opportunities for savings will be brought forward for consideration as part of the forth coming budget round.

### **4.3 Policy and Risk Implications**

4.3.1 The MTFFS is based upon the Council's current policy framework and where there are opportunities to vary this framework these are identified within the report – for example the level of Council Tax and the replenishment/use of reserves.

4.3.2 The MTFFS identifies and where possible quantifies (in outline) the risks to the Council's financial position and presents appropriate mitigations – for example the risk inherent within the Local Government Finance Settlement is mitigated through the Business Rates Equalisation Reserve.

### **4.4 Corporate Plan Implications**

4.4.1 The MTFFS underpins delivery of the Council's Corporate Plan and whilst this is currently under review it is anticipated that the broad thrust will remain although some changes in priorities are expected.

### **4.5 Resource Implications**

4.5.1 The MTFFS assesses the financial resources available to the Council over the coming 10 years. Based on the assumptions within the strategy a recurring shortfall is expected.

### **4.6 Other Implications**

4.6.1 As set out in the report.

### **4.7 Equalities Impact Assessment**

There are no equality impacts as a result of this report – individual savings ideas will be subject to assessment as they are brought forward for consideration/implementation.

## **5. Conclusion**

5.1 The key assumptions which underpin the MTFFS have been updated based on the latest intelligence available however there remains much uncertainty around public sector finance.

5.2 There remains risk within the Local Government funding system and at this stage a cautious stance has been taken regarding the fair funding review and business rates 'reset' now expected after 2020/21.

- 5.3 The mid-case assumes a £5 (2.8%) increase in Council Tax and for the HRA the MTFS models an CPI+1% increase in housing rents.
- 5.4 There is also uncertainty over New Homes Bonus, the economic situation as a result of a no-deal Brexit, income generation and delivery of savings. The Council's longer term financial position is heavily reliant upon resources keeping pace with inflation and costs being contained within base budget.
- 5.6 Over the next 3 years the savings requirement is expected to rise to £2.4m p.a. Given the size of the deficit and delays to the savings programme it is likely that additional reserves will be needed, although this is not a sustainable solution.
- 5.7 Additional income from Council Tax and Business Rates as a result of our investment in economic growth will help to bridge the funding gap in the long term but in the meantime we must strive to be as efficient as possible and additional savings targets are proposed. We will need to keep this under review as the future for Local Government funding becomes clearer.
- 5.8 The on-going risk to the Council's General Fund and HRA funding means that a careful balance between savings and investment will need to be struck.

## **6. Background Documents**

Approved MTFS Update September 2018

Approved Budget February 2019

## **7. Appendices**

Appendix 1 - Medium Term Financial Strategy Update September 2019

### **Contact Officer:**

Karen Iveson  
Chief Finance Officer  
[kiveson@selby.gov.uk](mailto:kiveson@selby.gov.uk)

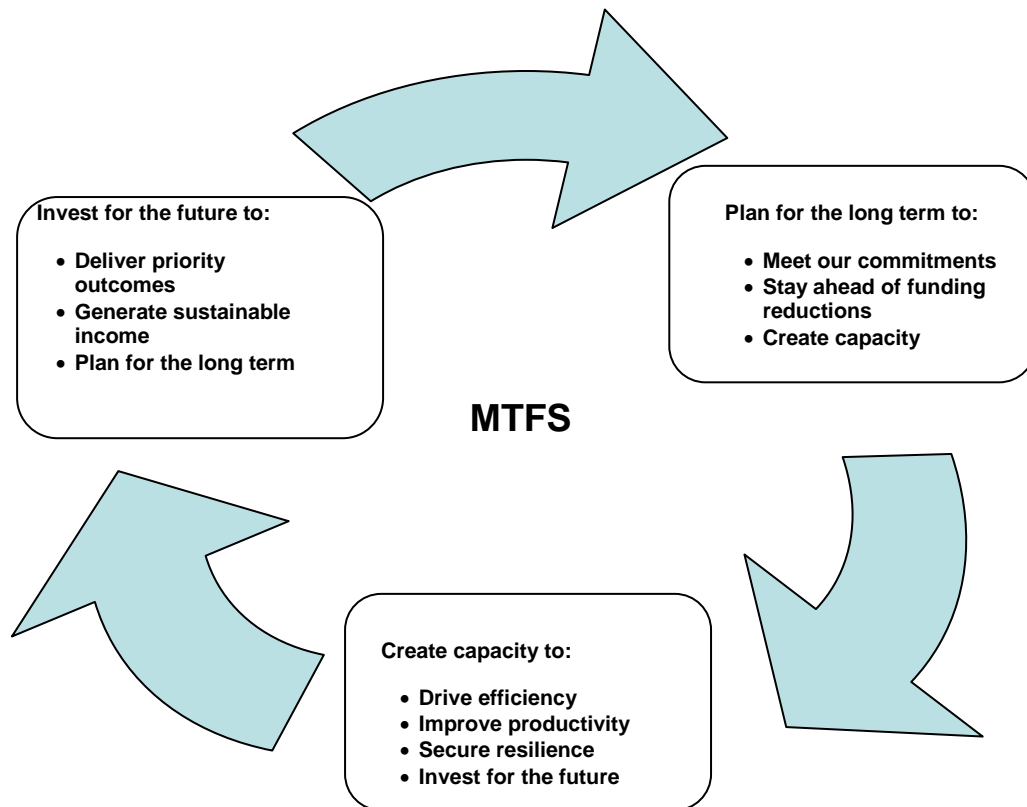
## Selby District Council

### Medium Term Financial Strategy Update September 2019

#### 1. Introduction and Background

- 1.1 This paper presents an update to the General Fund Medium Term Financial Strategy approved by Council in September 2018 along with an overview of the Housing Revenue Account. It considers the budget pressures and issues facing the Council over the next 3 years and beyond. It provides the framework for the forthcoming budget round and the longer term outlook to inform funding and investment decisions. A refresh of the full HRA Business Plan has been undertaken in parallel with this update and this strategy provides the financial framework for this work.
- 1.2 At this stage the impacts of Brexit, on public sector finances are still not clear as the prospect of the UK exiting the European Union on 31 October 2019 with no deal, is growing. As a result, the Government's proposals for a reviewed Local Government funding system have been delayed. HM Treasury has announced that there will be a one year settlement for 2020/21 and the system will be reviewed in 2020.
- 1.3 The outlook for the devolution agenda also remains uncertain and at this stage the financial implications of devolution for Selby are not known and therefore cannot be taken into account in this update. It will be important to understand the on-going implications as part of any future decisions on forming a combined authority with other partners should this ultimately be an option.
- 1.4 Against this backdrop of major uncertainty, the key drivers for the financial strategy remain unchanged.
- 1.5 In 2017/18 we refreshed our Corporate Plan and with it restated the Council's priorities through to 2019/20. Following the May 2019 district election the Corporate Plan is now under review. Early indications suggest no significant departures from the current plan although some refreshing and refining of priorities is expected. The Council has a clear and ambitious growth agenda – aiming **to make Selby a great place to do business, enjoy life and make a difference whilst delivering great value**. This financial strategy aims to provide financial sustainability, resilience and capacity for the Council in pursuing its objectives.
- 1.6 This update once again emphasises financial self-sufficiency as our economic growth agenda develops. This strategy aims to secure the

resources necessary to deliver the Corporate Plan, whilst managing the funding cuts we are facing – ultimately over the long term achieving a self-sustaining financial model which sees the Council free from reliance on central government funding by raising income locally through Council Tax and Business Rates as well as through charging appropriately for services and maximising its investments.



- 1.7 To support this paper and due to the significant volatility within the General Fund, three scenarios ('best', 'mid' and 'worst' case) for the General Fund and a separate mid-case only, forecast for the HRA have been modelled over the 10 years from 2020/21 to 2029/30 and are attached at **Appendix A**. More detailed best and worst case scenarios are modelled for the HRA as part of the HRA Business Plan. The mid-case scenarios are the proposed as the frameworks for the forthcoming budget. However, given the uncertainty for public sector finances, we remain ready to cope with a worst case scenario whilst staying focussed on our Corporate Plan objectives - using our strong financial position to carefully balance savings and investment.

## 2 Update on financial assumptions

### Economic Assumptions

#### Interest Rates

- 2.1 The bank base rate was raised by 0.25% to 0.5% in November 2017 and then raised again to 0.75% in August 2018. In the latest forecasts received from Link (the Council's treasury management advisors) in July 2019, the bank rate is projected to remain at 0.75% through to September 2020 when a rise to 1.00% is predicted. However these assumptions are based upon a reasonable Brexit outcome but should this not materialise by 31 October then a cut in Bank Rate could swiftly follow.
- 2.2 The approved strategy includes provision for a £300k cap on the amount of investment interest used to support the General Fund revenue budget and an equivalent cap of £135k for the HRA. As a result of the latest interest rate rise and the level of Council balances, it is anticipated that these will be reached in 2019/20 accordingly the 2019/20 approved savings plan includes an increase the General Fund cap to £350k from 2019/20 onwards:

	2019/20*	2020/21	2021/22	2022/23
Average rate %	0.9	1.25	1.5	1.75
GF Interest £000's	350	350	350	350
HRA Interest £000's	135	135	135	135
Total Interest £000's	485	485	485	485

*\*2019/20 Quarter 1 Treasury Management Report*

- 2.3 Given the economic uncertainty as a result of Brexit there is a risk that interest rates could reduce and balances are expected to fall over time therefore the cap will be kept under review. Any surplus receipts above the cap will be transferred to the Contingency Reserve. Rates will be kept under review and forecasts updated as necessary.

#### Inflation

- 2.4 As at June 2019 CPI inflation was running at 2% in contrast to average weekly earnings which peaked at 3.5% in the 3 months to December 2018 before falling to 3.4% more recently. The Bank of England forecast CPI to remain around the 2% level over the next 2 years although a no deal Brexit could prompt a rise to around 4%, primarily as a result of imported inflation on the back of a weakening pound. The MTFs assumptions on inflation therefore range from 2% to 4%, although a provision for inflation will only be provided on contractual budgets and staff pay, which builds in a level of risk mitigation.

## General Fund Assumptions

### Settlement Funding

- 2.5 This element of funding has seen the most significant changes in recent years following the localisation of Business Rates and Council Tax Support.
- 2.6 The 2017/18 Local Government Finance Settlement provided figures for Settlement funding through to 2019/20. Settlement Funding includes Revenue Support Grant (RSG), Business Rates Baseline Funding (BRBF) and in addition Rural Services Delivery Grant (RSDG) and Transitional Grant (TG) were included in the settlement:
- 2.7 The Government provided a multi-year settlement (2017/18 – 2019/20) to Local Authorities although reserved the right to alter the figures due to unforeseen circumstances or ‘shocks’ in the system. The Government confirmed the multi-year settlement in its final year and following consultation, removed proposals on negative RSG. It was assumed that this would be rolled into the new settlement from 2020/21 so any benefit would be for one year only but delays to the Fair Funding review and the review of the Business Rates retention system mean that it is considered more likely that this will be rolled on a further year.

Local Government Finance Settlement	15/16 £000's	16/17 £000's	17/18 £000's	18/19 £000's	19/20 £000's	20/21 £000's *	21/22 £000's *
RSG	1,756	1,121	593	265	0	0	0
BRBF	2,232	2,250	2,294	2,365	2,554	2,466	2,515
Tariff adjustment					-101	-103	-105
<b>SFA</b>	<b>3,988</b>	<b>3,371</b>	<b>2,887</b>	<b>2,630</b>	<b>2,554</b>	<b>2,466</b>	<b>2,410</b>
RSDG	0	134	108	135	408	108	0
TG	0	11	11	0	0	0	0
<b>Total</b>	<b>3,988</b>	<b>3,516</b>	<b>3,006</b>	<b>2,765</b>	<b>2,554</b>	<b>2,574</b>	<b>2,410</b>

*\*Multi-Year Settlement runs to 2019/20 – 2020/21 onwards estimated (+2% inflation) and subject to Fair Funding Review and Business Rates Reset*

- 2.8 The settlement shows a real term core funding reduction of approximately £1.9m from 2015/16 to 2019/20 with RSG being completely phased out over the period and it this reduction which is driving the residual savings requirement.
- 2.9 The Government has now shelved plans for Local Government to retain 100% of Business Rates in future and is piloting a 75% retention system in 2019/20 – Selby is part of the North and West Yorkshire 75% pool pilot. Under the terms of the pilot RSDG is included in the BRBF in 2019/20. Looking ahead to 2020/21, with the current uncertainty over

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the future for Local Government funding beyond 2019/20, it is assumed that the Council will revert to the 50% scheme.

### Business Rates Retention

- 2.10 The current approach to Business Rates Retention income is to set aside gains above our baseline funding (per settlement) into the Business Rates Equalisation reserve to off-set potential future losses. A rolling balance of 3 years cover down to the safety net **plus** funds to back fill planned savings will be maintained in this reserve. Balances above this level will be available for investment.
- 2.11 The Council is currently at the 'safety net' for the purposes of rates retention but in receipt of a large windfall from renewable energy (£8.865m p.a. in 2019/20). It is anticipated that this financial situation will continue for a further year until the system is reset from 2021/22 although it would not be prudent to make plans for spending this income until this is confirmed.
- 2.12 In 2019/20 Selby is part of the North and West Yorkshire Business Rates Pool which is piloting 75% retention. Under the pilot arrangements the safety net threshold is 95% (not the 92.5% under the 50% scheme) and therefore Selby is benefitting by around £60k in 2019/20.
- 2.13 Our forecast for 2019/20 is based on our NNDR1 return taking account of the 2017 revaluation, any revaluations and the latest intelligence on appeals, business growth and closures known at that time. Thereafter the 50% baseline is assumed:

Business Rates Income	Actual 2018/19 £000's	Forecast 2019/20 £000's	Estimate 2020/21 £000's	Estimate 2021/22 £000's
Selby's share of retained income	-761	-2,187		
Safety-Net Payment	2,949	4,614		
Safety-Net	2,188	2,427	2,281	
Transfer from BRER	177	127	185	
= Baseline	2,365	2,554	2,466	2,410
Assumed growth	0	0	0	0
Renewable Energy/Surplus*	7,820	8,865	9,000	0

\* Forecast/estimate updated following Drax revaluation

- 2.14 These forecasts do not include any provision for new significant appeals or closures beyond those already known at NNDR1 stage and therefore they should be treated with extreme caution. The figures for 2019/20 do include a downward revaluation for Eggborough Power Station and a revaluation of Drax. As Selby is below the safety net, no growth above our baseline funding is anticipated for the foreseeable

future. Following the system reset, any subsequent additional growth will be factored into our plans once a clear trend can be established and decisions on future allocations will need to be taken in light of the overall funding available and risk at that time.

### New Homes Bonus

- 2.15 New Homes Bonus (NHB) is an incentive scheme which rewards housing growth. The scheme is funded partly by the Government and also by top-slicing the Local Government funding settlement. Selby achieved £2.4m p.a. when the scheme reached maturity for 2016/17 (year 6 of the scheme).
- 2.16 The Government's evaluation of NHB and consultation early in 2016 resulted in it being scaled back to a 4 year scheme with a 0.4% growth threshold. New Homes Bonus funding is only secured to 2019/20 and latest intelligence suggests that this scheme will be replaced in its entirety, with the Government considering alternative ways to incentivise housing growth alongside the reformed system of Local Government funding. Given the delays to the Fair Funding review it is assumed that the scheme will continue for a further year and the mid-case assumes a prudent level of growth in 2020/21 - New Homes Bonus forecasts are therefore:

New Homes Bonus	2016/17 £000's	2017/18 £000's	2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's
Year 1	<b>445</b>					
Year 2	<b>435</b>					
Year 3	303	303				
Year 4	542	542				
Year 5	353	353	353			
Year 6	368	368	368	368		
Year 7		400	405	405	405	
Year 8			415	415	415	0
Year 9				767	767	0
Year 10					400	0
<b>Total</b>	<b>2,446</b>	<b>1,966</b>	<b>1,541</b>	<b>1,955</b>	<b>1,988</b>	<b>0</b>

- 2.17 Given the uncertain nature of NHB it is not advisable to rely on this to support the revenue budget and therefore the previous mid-case scenario assumed a managed reduction in revenue support to help mitigate the risk of loss should the scheme ultimately be brought to a close. Growth in receipts above these levels or receipts from any new scheme is assumed to be allocated to the Programme for Growth.



## Special and Specific Grants

- 2.20 The Council is in receipt of a number of additional grants for 2019/20 which may continue into the future:

Grants	2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's
Rural Services Delivery Grant*	135	408	108	0
Transition Grant	0	0	0	0
Other Grants	0	105	83	0
<b>Total Grants</b>	<b>135</b>	<b>105</b>	<b>191</b>	<b>0</b>

\*RSDG rolled into Business Rates Baseline in 2019/20 to reflect 75% retention system pilot

- 2.22 Future funding is dependent upon the outcome of the new Business Rates Retention system – which will be delayed until 2020. For 2020/21 it is assumed that the current position is rolled on for a further year. Beyond 2021 it is assumed that these grants will be rolled into Business Rates funding. Non-service grants are not ring-fenced and are applied to finance the General Fund revenue budget. In addition there are various service specific grants which are included within the Net Revenue budget – they are not listed here as it is assumed that there is corresponding expenditure for these elements. However, reductions in such grants add further pressure to our savings requirements (as we have seen with Council Tax and Housing Benefit Administration Grants).

## Council Tax

- 2.23 A Council Tax Base of 31,395.15 has been estimated for 2019/20 with a 1% rise forecast thereafter included in the Council's current Medium Term Financial Plan. Every 0.5% increase above this level would add approximately 156 Band D equivalents to our Tax Base which equates to around £28k p.a. at the current Band D charge (£178.22).
- 2.24 At this stage the Government has not proposed changes to the council tax referendum principles that were used in 2019/20 although an update is expected alongside the provisional local government finance settlement. The current principles are to allow district councils to increase their Band D charge by up to £5 or 3% (whichever is the higher) without triggering a referendum. It is not clear if the government will hold this line for 2020/21 or revert back to the previous £5 or 2% threshold. The mid-case assumes a £5 increase which is slightly less than the potential 3% maximum the government would assume for Selby if the current principles remain.

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- 2.25 A £5 (2.8%) increase equates to an increase of 9.6p per week for 2020/21. A 1.99% rise (in line with inflation assumptions) has been modelled for 2021/22 onwards:

	2019/20	2020/21	2021/22	2022/23
Tax Base with 1% growth	31,395	31,709	32,026	32,346
Band D Charge £	178.22	183.22	186.87	190.59
% Increase	1.81	2.81	1.99	1.99
Council Tax Income £000's	5,595	5,810	5,985	6,165
Collection Fund Surplus/(Deficit)	0	0	0	0

- 2.26 Subject to the referendum principles, should the Council wish to consider an alternative policy on Council Tax:
- a 2.99% increase would take the Band D charge to £183.55 (an additional increase of 33p p.a.) and raise an additional £10k in 2020/21 – £107k over the life of the MTFs,
  - and a 1.99% increase in 2020/21 would reduce income by £46k – a loss of circa £468k over the life of the MTFs.

The best case scenario incorporates the 2.99% increase and the worst case a 1.99% increase.

### Service Income

- 2.28 The Council approved an Income Strategy in 2016 which established full cost recovery as the default for all discretionary charges unless a specific decision to subsidise has been taken. A review of fees and charges is planned as part of our savings programme and within the context of a self-sustaining financial model.
- 2.29 This strategy assumes that service income raised through discretionary fees and charges will increase in line with inflation although opportunities to maximise income will be sought as part of our overall approach to savings and efficiency – currently a £185k target for additional income is included within our approved savings plan over the next 3 years. Prescribed planning fees increased by 20% from 17<sup>th</sup> January 2018 - the additional income generated being used to reinvest in the service. Other grants and subsidies are assumed to remain flat – any subsequent reductions will be managed within the overall base budget/savings requirement.

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2.30 The table below shows the main service related income streams:

<b>Service Income</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
General Fund				
Waste Collection & Recycling	1,374	1401	1,430	1,458
Planning	1,154	1,154	1,154	1,154
Car Park Income	355	355	355	355
Selby Leisure Centre / Summit	448	457	466	475
Commercial Property Rental	377	385	392	400
Lifeline Private Clients	273	278	284	290
Court Fees / Summons Costs	155	158	161	164
Land Charges Search Fees	151	154	157	160
Miscellaneous Fees & Charges	288	294	300	306
Licences	133	136	138	141
<b>Total Service Income</b>	<b>4,708</b>	<b>4,772</b>	<b>4,838</b>	<b>4,904</b>
Current Income Growth Target (per savings plan)	12	120	185	185
<b>Total Target Income GF</b>	<b>4,720</b>	<b>4,892</b>	<b>5,023</b>	<b>5,089</b>

### **Housing Revenue Account Assumptions**

2.31 The core assumptions which impact the HRA include: inflation and interest rates; rent levels; void properties; bad debts; right to buy sales; and new build/acquisitions. The economic assumptions applied to the General Fund will also be applied to the HRA.

#### **Dwelling Rents**

2.32 2019/20 will be the final year of the Government's 4 year plan to reduce Social Housing rents by 1% year on year. This squeeze on rental income reduces the amount available to invest in improving our housing stock and new build housing. From 2020/21 a CPI + 1% (max) rise is expected for the period through to 2024/25 although there could be further government policy change in this period so rental assumptions should be treated with caution. The assumption on void properties has increased from 1% to 2% and doubtful debts remain unchanged with 1% in respect of general debt and 3% in respect of universal credit, applied.

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## Council House Sales and New Builds/Acquisitions

- 2.33 Right to buy sales are estimated at 20 per annum which accords with recent experience but such sales are sensitive to economic change and therefore these will be kept under close review.
- 2.34 New builds and acquisitions are currently forecast in line with the Council's approved Housing Development Programme The HRA Business Plan includes the aspiration for 1 for 1 replacement of homes sold through right-to-buy. However as our plans are being brought forward there may be some flex required and consequently these assumptions are subject to change. Any such change will be subject to business cases which will consider the impact on the long term financial outlook for the HRA and seek to strengthen and improve the long term sustainability/viability of the HRA.

<b>Rent Forecasts</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
Number of dwellings (mid-year average)	3,045	3,044	3,044	3,044
Average Rent - Rent Restructuring £	82.43	84.90	87.45	90.07
<b>Net Rent Income £000's</b>	<b>11,545</b>	<b>11,889</b>	<b>12,246</b>	<b>12,613</b>

## Other Income

- 2.35 In accordance with our fees and charges policy it is assumed that garage rents will increase by CPI inflation each year:

<b>Service Income</b>	<b>2019/20 £000's</b>	<b>2020/21 £000's</b>	<b>2021/22 £000's</b>	<b>2022/23 £000's</b>
<b>HRA Garage Rents</b>	<b>103</b>	<b>105</b>	<b>107</b>	<b>109</b>

## Debt Charges Assumptions

- 2.36 Management of the Council's debt is governed by the Treasury Management Strategy and Prudential Indicators which aim to ensure the Council's capital expenditure plans are prudent, affordable and sustainable, with decisions on borrowing taken in light of spending plans and available funding, cash flow needs and interest rates (current and future forecasts).
- 2.37 Borrowing enables the Council to spread the cost of capital expenditure over time. Generally speaking it gives rise to two charges against the revenue budget: Minimum Revenue Provision (MRP) and interest payable on debt.

- 2.38 MRP is an amount set aside to repay debt in accordance with the approved policy within the Treasury Management Strategy. As part of the overall savings plan, the Council has maximised General Fund MRP set aside, by applying some of the business rates windfalls received. This voluntary set-aside has delivered a corresponding annual revenue saving.
- 2.39 A small amount of MRP charge remains within the General Fund relating to the cost of the 'fit-out' of the Summit which is covered by the trading concession fee received from 'Inspiring Healthy Lifestyles' – this arrangement aims to ensure that the facility remains sustainable by maintaining financial capacity to replace the interior at the end of the 10 year contract, should this be required.
- 2.40 The majority of debt charges fall on the HRA as a result of taking on circa £60m of central government debt when the previous HRA subsidy system was abolished in April 2012. MRP is currently £1.26m p.a. (rising to £2.28m in 2022/23) and interest payable is £2.4m p.a. reducing to £1.8m. The amount of borrowing allowable within the HRA is no longer subject to a 'debt cap' and therefore borrowing is available to support future capital investment subject to this being prudent and affordable.
- 2.41 The current environment of low returns on cash investments means that it is more favourable to borrow internally (i.e. use available cash earmarked for future spend) than take out new external borrowing. However as interest rates are expected to rise, this will be kept under review as part of monitoring the Council's Treasury activities and corresponding interest charges will be factored into the budget to ensure sufficient capacity to accommodate any necessary borrowing.

### **Reserves and Balances Assumptions**

#### **General Balances**

- 2.42 In accordance with the current strategy it is assumed that General balances are **not** used to support the revenue budget.
- 2.43 General Balances remain funding of last resort. The approved minimum working balance is £1.5m for both the General Fund and HRA and resources will be managed to maintain this level over the medium to long term.

## Earmarked Reserves

- 2.44 The following has been extracted from the current approved MTFs and updated with the latest available intelligence – it sets out the rationale for each reserve and the proposed contribution where applicable:

## Earmarked General Fund Reserves

A review of major earmarked reserves has been undertaken and the following proposed:

- PFI – Based on current forecasts and following an additional lump sum contribution in 2016/17, there is now sufficient balance in this reserve to cover future commitments. The on-going adequacy of this reserve is kept under review in light of interest rates and inflation. Any necessary increases in contributions will form part of the revenue budget and will be funded as a commitment before further service growth is considered.
- ICT Replacement – £141k p.a. General Fund (£150k less £9k saving from the Better Together ICT service) and £50k p.a. HRA contributions are planned to sustain this important reserve, which provides the financial capacity to upgrade and replace our ICT infrastructure, hardware and systems in accordance with our approved ICT Strategy. The use of ICT to support the Council's customer 'self-service' and channel shift agenda means that the financial capacity to invest in modern technologies is crucial to support future services and deliver savings. A review of the Council's ICT strategy was undertaken in 2017/18 and a one-off injection of £500k was included in the approved revenue budget in 2018/19. Fixed contributions allow the smoothing of these irregular costs to avoid peaks and troughs in funding requirements. Spending is planned over a 10 year period allowing for known upgrades and systems/replacements. Going forward it is advised that the level of contributions be increased to £300k p.a. to sustain this reserve. It is proposed that this increase is phased in over the next 3 years.
- Asset Management - £200k p.a. (£178k plus £22k for the Summit Indoor Adventure), is transferred into this reserve to cover our commitments to maintaining our built assets. Major surfacing works to the Council's car parks are planned with £900k committed from this reserve over the 3 years from 2018/19. Accordingly a one-off top-up of this reserve was approved in 2018/19 - £250k has been transferred from General Balances (£150k) and the Pension Equalisation Reserve (£100k). An update to the assessment of works required to maintain our assets over the coming 10 years will be done as part of the next Asset Management Strategy refresh. In the meantime it is proposed that annual contributions be

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maintained at £200k p.a. pending a more detailed view of future spending needs.

- Special Projects Reserve - New Homes Bonus and excess business rates income beyond that required for the Business Rates Equalisation Reserve (see above) are used to top up this reserve which is currently used to fund the Council's 'Programme for Growth'. At 31 March 2020 it is estimated that £8.5m will be available for allocation to extend the Programme and/or support other non-recurring spending priorities as well as increase capacity to deliver the programme. Proposals will be brought forward as part of the forthcoming budget round. **However, it must be stressed that the use of NHB and Business Rates resources to fund growth is wholly dependent upon achieving the revenue savings targets set.**
- s106 and Community Infrastructure Levy Reserves – these reserves are restricted to the uses specified through the planning process. They include affordable housing commuted sums, general s106 receipts and Community Infrastructure Levies (CIL). Affordable housing commuted sums are ring-fenced to support new affordable housing delivery with restrictions on use and requirements to spend within a given timescale. The reserve receives any in-year s106 affordable housing commuted sums which are then applied to our affordable homes programme aiming to deliver more homes 'off-site' than could have been delivered through 'on-site' provision. Other s106 sums and CIL are held pending allocation to infrastructure and related uses.
- Discretionary Rate Relief – this reserve was established with £300k from the 2012/13 General Fund revenue surplus. Future contributions could come from excess Business Rates income subject to availability and prioritising against the revenue budget and 'Programme for Growth'. A budget of £100k p.a. has been created and will be funded by this reserve – this will enable applications for relief to be considered and awarded promptly. The balance will be kept under review and topped up from in-year savings if required.
- Business Development – the need for on-going savings and efficiencies to achieve the Council's objectives remains a key priority. This reserve provides up-front investment for service improvements and efficiency initiatives, to support the Council's savings plan – in particular commercialisation and income generation. The reserve will be topped up from in-year surpluses, if any, subject to other reserve priorities.
- Pension Equalisation – this reserve receives contributions which provide capacity within the General Fund revenue budget for a rise in employer pension contributions following each triennial valuation.

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However, the Council has reduced its historic pension fund deficit with a one-off lump sum payment of £9.4m in 2016/17, and therefore contributions to this reserve have removed from the budget. Future requirements will be reviewed again in light of the next triennial valuation due in 2019.

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

For the purposes of rates retention and whilst receiving the large cash windfalls from renewable energy, the Council is at the safety net and is expected to be in this position until the system is reset from 2021/22. Given the anticipated changes to the rates retention scheme and on-going Local Government funding cuts, the current MTFS provides that 3 years' worth of safety net 'top-up' be held as a minimum balance plus a further sum to back-fill savings targets with the rest transferred to the Special Projects (Programme for Growth) Reserve. This policy will be maintained for 2020/21 and the mid-case forecast on savings requirements suggests that a figure of £7.6m would be prudent to hold back to cover the current savings requirement, planned drawdowns and safety net 'top-up' for the next 3 years.

The impact of the system reset and the potential for a 75% rates retention pool will be considered and if necessary future changes to this reserve will be brought forward in due course.

- Local Plan Reserve – delivery of a district wide local plan requires a significant and sustained resource input over a relatively long period of time, which can put pressure on in-year budgets when peaks in work occur. £355k was earmarked in 2015/16, with a further £145k from the revenue budget in 2016/17 and then £50k p.a. set aside thereafter. With growing demands in this area an additional £250k transfer from the Contingency Reserve was approved last year which should be sufficient to support the potential new local plan. The on-going adequacy of this reserve will be kept under review.
- Contingency – this reserve provides resources to cover unforeseen issues beyond those that can be accommodated by in year contingency budgets – for example significant planning appeal costs. The reserve is topped-up using year-end surpluses if available and required.



## Housing Revenue Account Reserves

- Major Repairs Reserve – this reserve provides the resources to manage the condition of the Council's housing stock over the long term. It receives depreciation charges along with any in-year surpluses generated through the HRA.

## Capital Reserves

- Useable Capital Receipts – generated through the sale of Council assets (General Fund and HRA). The Council's Asset Management Strategy sets out our approach to assets, including review of assets for disposal. These receipts can only be used to fund capital expenditure and are allocated in light of our capital investment plans.
- Retained housing receipts – receipts generated from right to buy sales over and above the Government's assumptions following extension of right to buy discounts can, subject to terms and conditions, be retained for re-investment in new homes.

2.45 A forecast of reserve balances is set out at **Appendix B**.

## **3 Revenue Budget Outlook 2020/21 to 2022/23**

### Costs

- 3.1 It is assumed that on average costs will increase in line with inflation. Whilst cuts in general grant continue, demand led recurring cost pressures must be contained within the net revenue budget. The strategy assumes that such cost pressures are managed within the overall base budget and therefore any proposed cost increases must be covered by equivalent savings elsewhere.
- 3.2 The single largest cost to the Council is its employees. In 2019/20 the Council's payroll budget is approximately £8.4m including circa £1.0m to directly support the Programme for Growth. This includes a 5% vacancy factor. Provision for a 2% pay award has been factored into our current medium term financial plan but there is a risk of above inflationary increases which will ultimately increase the need for revenue savings. Generally speaking there is downward pressure on staffing budgets meaning underspends and associated capacity issues. Work on our approach to Organisational Development is in progress but as a small authority we often find it difficult to compete particularly in professional services such as planning.
- 3.3 The Council's ambitious growth agenda (an agenda which is fundamental to the long term sustainability of our vital public services) meant a need to increase our internal capacity. In the shorter term this

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continues to require support from the Council's reserves and the Council has approved fixed term funding through the Programme for Growth. The fixed term nature of some posts has resulted in recruitment difficulties and some consequential delays to the programme. Furthermore, as work on the programme progresses and some fixed term posts near their end date there are risks to programme delivery.

3.4 In addition there are a number of emerging priorities and risks that are currently being monitored and strategic choices which may require funding:

- Climate change – direct interventions which could be off-set by potential investment in renewable energy to deliver revenue returns;
- St Cleaning and grounds maintenance – potential for a review of service standards and one-off costs associated with new recycling service;
- Continuing ICT investment to enable transformational change e.g. modern committee system;
- Brexit – as the likelihood of a no deal grows there is greater future economic uncertainty which could have far reaching impacts on the public sector.

3.5 One-off projects, for example to support future growth can be funded through reserves supported by renewable business rates and new homes bonus (whilst we have them), issues which have recurring impacts will add pressure to the base budget. At this stage a broad estimate of the additional recurring costs could be in the region of £300k - £500k p.a. but further work would be required, to fully assess.

3.6 Impacts of this magnitude would be impossible to contain within the revenue budget and therefore the savings gap would inevitably widen. The worst case scenario builds in these additional costs and shows that by 2021/22 the recurring deficit on the revenue budget would be around £3m, and without savings, available reserves would be fully depleted within the next 3 years

### Income

3.7 Opportunities for growing income generation remain a priority and proposals for commercialisation will continue to be developed. A strategic review of income generation is planned as part of our savings work which will include opportunities for investment in property and/or other alternatives to achieve an income stream.

3.8 The windfall from Business Rates income will have a significant positive impact on our General Fund financial position at least in the

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short term but we will need to keep this under close review and in accordance with the previously approved MTFs and budget, it is assumed that growth above our baseline funding is transferred into the Special Projects (Programme for Growth) Reserve as it is realised.

- 3.9 Whilst the Government's review of Local Government Funding and the Business Rates Retention system are delayed it is impossible to predict with confidence, the level of resources we can expect beyond 2019/20.
- 3.10 Housing rents are subject to the Government's control. In 2016/17 a 1% reduction in rents was implemented for a four year period of which the last year will be 2019/20. From 2020/21, it is assumed that the maximum CPI + 1% will be applied in line with government policy for a 5 year period but as highlighted in paragraph 2.32 above this could be subject to change.

### Net Budget Forecast (Mid-Case)

- 3.11 The forecasted resources and revenue budgets for 2019/20 to 2021/22 including approved bids and commitments are shown in the table below (mid-case):

<b>General Fund</b>	<b>Revised 2019/20 £000's</b>	<b>2020/21 £000's</b>	<b>2021/22 £000's</b>	<b>2022/23 £000's</b>
Council Tax	-5,595	-5,810	-5,985	-6,165
Council Tax Collection Fund Surpluses/Deficit (-/+)	23	0	0	0
Business Rates Collection Fund Surpluses	-8,865	-9,000	0	0
Business Rates*	-2,427	-2,281	-2,410	-2,458
Rural Services Delivery Grant	0	-108	0	0
New Homes Bonus	-1,955	-1,988	0	0
Other Non-Service Grants	-105	-83	0	0
<b>Total Resources</b>	<b>-18,925</b>	<b>-19,270</b>	<b>-8,395</b>	<b>-8,623</b>
<b>Net Budget Prior to Planned Savings</b>	<b>20,065</b>	<b>20,932</b>	<b>10,457</b>	<b>10,997</b>
<b>Forecast Surplus/Deficit (-/+)</b>	<b>1,140</b>	<b>1,662</b>	<b>2,062</b>	<b>2,374</b>
<b>Planned Savings</b>	<b>1,140</b>	<b>1,607</b>	<b>1,972</b>	<b>1,972</b>
<b>Forecast residual Deficit</b>	<b>0</b>	<b>55</b>	<b>90</b>	<b>402</b>

\*2019/20 Updated for Drax revaluation

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Housing Revenue Account	2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's
Dwellings Rents	-11,545	-11,889	-12,246	-12,613
Garage Rents	-103	-105	-107	-109
<b>Total Resources</b>	<b>-11,648</b>	<b>-11,994</b>	<b>-12,353</b>	<b>-12,722</b>
<b>Net Service Costs</b>	<b>7,083</b>	<b>6,789</b>	<b>6,841</b>	<b>6,936</b>
Planned Savings	-214	-214	-214	-214
MRP	1,260	1,260	1,260	2,282
<b>Forecast Surplus/Deficit (-/+) transferred to MRR to fund the capital programme</b>	<b>-3,519</b>	<b>-4,159</b>	<b>-4,466</b>	<b>-3,718</b>

- 3.12 The General Fund shows a forecast deficit of £1.7m before planned savings in 2020/21, rising to £2.4m in 2022/23. Planned savings would reduce this deficit, leaving a residual shortfall of £402k by 2022/23.
- 3.13 The HRA shows a forecast surplus on its revenue activities but pressures arising from stock conditions and the previous 4 years rent reductions means that financing the required improvements will be challenging in the short to medium term and therefore cash flows will have to be carefully managed.
- 3.13 The on-going risk to the Council's funding (General Fund and HRA) means that we will need to strike a balance between savings and investment. We will continue to strive for more efficient and effective services and maximising income where possible and appropriate, which in turn will enable the financial capacity for investment to achieve sustainable cash 'returns' and minimise the impact on front line service outcomes and in the case of the HRA the amount available for investment in our housing stock.

#### 4. Savings

- 4.1 This 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.
- 4.2 Taking the proposals for Council Tax, growth, and reserve transfers and assumptions on Formula Grant, the estimated requirement for savings on the General Fund is £2.4m by 2022/23.
- 4.3 The Council has a good track record for delivering savings, but in 2018/19 progress was behind profile and at the end of quarter 1 of 2019/20 progress is still lagging behind. Risk to delivery of the savings

## Appendix 1

plan is recognised and circa £7m of reserves have been earmarked to mitigate non-delivery in the shorter term, as it is becoming increasingly difficult to achieve further savings from a reducing cost base. However, the focus on delivering planned savings must be maintained, given the importance of savings in achieving the Council's financial (and wider) objectives and to avoid the long term use of balances to support on-going spending which is unsustainable. The Council's approach to savings covers three key strands:

- **Growing** our resources through charging for services, trading externally and importantly investing in economic growth to drive growth in Council Tax and Business Rates;
- **Transforming** our business through the use of technology and flexible working to meet citizen and customer needs;
- **Commissioning** from and with partners to achieve shared efficiencies and reduce the demand for public sector services.

4.4 A number of 'technical' savings have also been delivered which involved the set-aside of one-off sums to reduce the on-going base budget – these included a £1.5m contribution to the Private Finance Initiative (PFI); £3.3m voluntary minimum revenue provision in relation to outstanding debt; and a £9.391m lump sum payment to the North Yorkshire Pension Fund to reduce employer contributions.

4.5 The General Fund savings forecast for 2019/20 currently total £830k against a target of £1.14m. Taking into account the updated forecasts in the MTFs and progress on the current savings plan the estimated position on savings is:

<b>GF Savings Summary</b>	<b>Revised 2019/20 £000's</b>	<b>2020/21 £000's</b>	<b>2021/22 £000's</b>	<b>2022/23 £000's</b>
<b>Estimated Deficit (mid-case)</b>	<b>1,140</b>	<b>1,662</b>	<b>2,062</b>	<b>2,374</b>
Low risk	830	372	372	372
Medium risk	0	875	925	925
High risk	0	360	675	675
<b>Total per plan</b>	<b>830</b>	<b>1,607</b>	<b>1,972</b>	<b>1,972</b>
<b>Current Shortfall</b>	<b>310</b>	<b>55</b>	<b>90</b>	<b>402</b>
<b>HRA Savings Summary</b>	<b>2019/20 £000's</b>	<b>2020/21 £000's</b>	<b>2021/22 £000's</b>	<b>2022/23 £000's</b>
<b>Assumed residual target</b>	<b>214</b>	<b>214</b>	<b>214</b>	<b>214</b>
Low risk	19	12	12	12
Medium risk	0	194	194	194
High risk	0	8	8	8
<b>Total per plan</b>	<b>19</b>	<b>214</b>	<b>214</b>	<b>214</b>
<b>Current Shortfall</b>	<b>195</b>	<b>0</b>	<b>0</b>	<b>0</b>

*Note HRA is in surplus but resources are required for capital programme so an assumed savings target is applied*

4.6 **It is stressed that failure to deliver the savings target would require the use of further reserves to balance the budget which would undermine the Council's long term financial resilience and therefore work to deliver and identify further savings to bridge any gap must continue.**

4.7 The current savings plan is attached at **Appendix C**. Opportunities for additional savings will be explored as part of the forthcoming budget round.

### **5 Capital Programmes**

5.1 The Council's Capital Programmes contain the 'business as usual' capital projects planned – for the General Fund these include Disabled Facilities Grants (DFGs), ICT replacements, major works to the Council's assets and loans/grants to Selby and District Housing Trust to support affordable housing delivery; and for the HRA the various enhancement works to the Council's housing stock as well as new build schemes. Expenditure is funded by earmarked reserves set aside for these specific purposes, or through capital receipts from Council House and other asset sales. For information, the approved programmes are attached at **Appendix D**.

5.2 Plans are currently being formulated for a change to the Council's recycling arrangements and the Executive resolved at its meeting in June 2019 to provide for the replacement of the current box system for a wheeled bin system (subject to public consultation). A sum of £1.4m is earmarked from capital receipts to cover this one-off cost should this ultimately be agreed. Thereafter replacement bins will be covered by the street scene contract.

5.3 In addition, there is the potential for the Council to purchase the replacement refuse/recycling vehicle fleet which is currently provided within our Street Scene contract. The estimated capital cost is circa £4m. Given the recurring nature of this cost (the fleet will need to be replaced every 10 years) it would be prudent to fund through borrowing over the life of the vehicles to ensure that financial capacity is retained within the Council's revenue budget and that the service is financially sustainable going forward.

5.4 After earmarking £1.4m for wheeled bins, there is currently around £3.6m available in usable capital receipts estimated over next 3 years from right to buy receipts, and land/property sales. In recent years low level receipts have been used to cover the cost of Disabled Facilities Grants, however increases in Council House sales and the Council's agreement with the Government to retain extra receipts to achieve one for one replacement of Council homes, means that going forward, receipts retained from council house sales can be used to support the

## Appendix 1

Council's affordable homes development strategy and deliver new build homes across the district.

- 5.5 In addition s106 affordable housing commuted sums are anticipated, which provide the potential to extend our house building/acquisition programme further. Plans are already in progress on the £22m development programme approved by the Executive in January 2018, but with rising right to buy receipts and s106 commuted sums, there is potential to increase our existing programme further and proposals will be brought forward for approval in due course.
- 5.6 For the purpose of this strategy it is assumed that new acquisitions (purchased or built) will be subject to business cases and at least self-financing through the rental income achieved. Capital Programme proposals will be considered as part of the forthcoming budget round and borrowing requirements will be kept under review.

### 6 Programme for Growth

- 6.1 The 'Programme for Growth' is the Council's strategic programme to support delivery of its Corporate Plan. The programme comprises a range of cross cutting projects designed to '**make Selby a great place**' by investing in jobs; housing; infrastructure/economic development; and the tourism economy. The approved programme, which aligns to the current Corporate Plan, is set out at **Appendix E**.
- 6.2 The programme is now in its fourth incarnation, with an initial suite of projects approved as part of the 2018/19 budget and then revised in January 2019:

<b>Programme for Growth 3</b>	<b>Projects £000</b>
Total Allocated to projects	7,346
Internal capacity	3,642
Assumed remaining project delivery fund (subject to available resources)	5
<b>Funding from Special Projects Reserve</b>	<b>10,993</b>

- 6.3 These resources could increase further subject to the future of New Homes Bonus and Business Rates and delivery of savings. **The mid-case scenario shows £8.5m available in the 'Special Projects Reserve' for allocation in 2020/21.**
- 6.4 The resources available to fund the programme will be reviewed annually in light of announcements on Local Government funding and the Council's financial outlook. However the Council's strategic approach to its future financial sustainability is reliant upon investment to stimulate housing and business growth which in turn will generate local funds through Council Tax and Business Rates to mitigate losses

in central Government funding and provide the capacity for further reinvestment.

- 6.5 There may also be opportunity to extend the programme for growth further through bids for funding from external partners (such as the LEP and HCA).

### **7 Conclusions**

- 7.1 The key assumptions which underpin the Financial Strategy have been updated based on the latest intelligence available however there remains much uncertainty around public sector finance.
- 7.2 There is risk within the Business Rates retention scheme as we approach the system reset although this will now be delayed until 2021/22. At this stage a cautious stance has been taken and whilst a delay could lead to further renewable energy receipts in 2020/21 these can only be allocated when they are confirmed.
- 7.3 There is also uncertainty over New Homes Bonus, the economic situation, income generation and delivery of savings. The Council's longer term financial position is heavily reliant upon overall resources keeping pace with inflation and costs being contained within base budget.
- 7.4 Based on the assumptions in this strategy, the savings requirement is anticipated to rise to £2.4m by 2022/23 (although this does not take into account growth beyond the standard, mid-case assumptions contained in this MTFS). After delivery of planned savings the residual shortfall is forecast to be £402k.
- 7.5 The additional income from Council Tax and Business Rates, as a result of our investment in economic growth, will help to bridge the funding gap in the long term but inevitably this will take time to come to fruition and therefore in the meantime we must continue to strive to be as efficient as possible and deliver the additional savings targets that have been proposed. We will need to keep these targets under review as the future for Local Government funding becomes clearer.
- 7.6 Over the next 10 years there is capacity within the HRA Business Plan to support additional capital expenditure but we will need to balance investment in our current stock with acquisition of new homes. For the purpose of this strategy it is assumed that new acquisitions (purchased or built) will be subject to business cases and at least self-financing through the rental income achieved. As plans for the Housing Development Programme are progressed this budget will be updated as required.



- 7.7 Meeting the on-going savings challenge features strongly in the Council's strategic and operational plans and this work will continue. Our collaboration with North Yorkshire County Council and other partners, progressing our digital strategy and reducing demand for services, the commercialisation of our business, income generation and efficiency savings are important to this work.
- 7.8 However achieving financial self-sufficiency will mean that a careful balance between savings and investment will need to be struck. We will continue to strive for more efficient and effective services which in turn will provide the financial capacity for investment in delivering local economic growth – replacing central Government funding with sustainable cash returns in the form of income from services, Council Tax and Business Rates.

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**SELBY DISTRICT COUNCIL - 10 YEAR FINANCIAL PLAN 'Best' Case**

GENERAL FUND	Revised	← Medium Term Financial Plan →					Long Term Forecast →			
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2026/27	2026/27
<b>KEY ASSUMPTIONS</b>										
Growth/Inflation	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Interest Rates	1.00%	1.50%	1.75%	2.00%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%
Tax Base Increase	1.81%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
Government Grant (SFA) change	10.92%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Council Tax Increase	£3	2.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%
<b>COUNCIL TAX</b>										
Tax Base (Number of Band D Equivalents)	31.395	31.787	32.185	32.587	32.994	33.407	33.824	34.247	34.675	35.109
Council Tax @ Band D (£)	178.22	183.55	187.21	190.93	194.73	198.61	202.56	206.59	210.70	214.89
Council Tax Income (£000's)	5,595	5,835	6,025	6,222	6,425	6,635	6,851	7,075	7,306	7,545
Precept (£000's)	5,595	5,835	6,025	6,222	6,425	6,635	6,851	7,075	7,306	7,545
<b>REVENUE FINANCING</b>	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Local Income</b>										
Council Tax	- 5,595	- 5,835	- 6,025	- 6,222	- 6,425	- 6,635	- 6,851	- 7,075	- 7,306	- 7,545
Council Tax Collection Fund Surplus/Deficit (+/-)	23									
Business Rates Collection Fund Surplus/Deficit (+/-)	- 8,865	- 9,000								
<b>Gov't Funding/Grants</b>										
Settlement Funding - Business Rates (Baseline from 21/22)	- 2,427	- 2,281	- 2,410	- 2,458	- 2,507	- 2,558	- 2,609	- 2,661	- 2,714	- 2,768
Settlement Funding - Revenue Support Grant										
Settlement Funding - Rural Services and Transitional Grants	-	- 108								
New Homes Bonus	- 1,955	- 1,988								
Other Specific Grants	- 105	- 83								
<b>TOTAL EXTERNAL RESOURCES (a)</b>	<b>- 18,925</b>	<b>- 19,295</b>	<b>- 8,435</b>	<b>- 8,680</b>	<b>- 8,932</b>	<b>- 9,192</b>	<b>- 9,460</b>	<b>- 9,736</b>	<b>- 10,020</b>	<b>- 10,313</b>
<b>REVENUE BUDGET</b>	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Approved Operational Budget - Net (Per Council Feb 19)	11,601	11,214	10,884	10,796	11,165	11,232	11,456	11,686	11,919	12,158
Investment Interest	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300
Capital Financing	818	278	204	208	212	216	221	225	230	234
Parish CTS Grant	-	-	-	-	-	-	-	-	-	-
<b>Net Budget Before Contributions to/from reserves</b>	<b>12,119</b>	<b>11,192</b>	<b>10,788</b>	<b>10,704</b>	<b>11,077</b>	<b>11,148</b>	<b>11,377</b>	<b>11,611</b>	<b>11,849</b>	<b>12,092</b>
<b>Contributions to Reserves:</b>										
PFI Scheme (incl SDC's contribution & interest)	295	303	310	316	321	326	330	333	333	333
Asset Management	200	200	200	200	200	200	200	200	200	200
ICT	141	177	213	250	250	250	250	250	250	250
District Election	34	34	38	38	38	38	38	38	38	38
Pension Equalisation	100	100	100	100	100	100	100	100	100	100
Special Projects/P4G	6,351	11,096	-	-	-	-	-	-	-	-
Local Plan	50	50	50	50	50	50	50	50	50	50
Business Rates Equalisation	3,321									
<b>Contributions from Reserves:</b>										
Business Development/Spend to Save										
ICT	- 321	- 149	- 150	- 153	- 156	- 159	- 162	- 166	- 169	- 172
PFI	- 427	- 435	- 444	- 453	- 462	- 471	- 481	- 491	- 491	- 491
Asset Management	- 497	- 129	- 54	- 55	- 56	- 57	- 58	- 60	- 61	- 62
Special Project/P4G Salaries	- 940	- 595	- 300							
S106 Affordable Housing Commuted Sums										
District Election	- 136				- 153					
Discretionary Rate Relief										
Local Plan	- 98	- 167								
Business Rates Equalisation (Internal safety net top-up)	- 127	- 745	- 294							
<b>Net Contributions to/from reserves (+/-)</b>	<b>7,946</b>	<b>9,740</b>	<b>- 331</b>	<b>293</b>	<b>132</b>	<b>277</b>	<b>266</b>	<b>255</b>	<b>250</b>	<b>246</b>
<b>Forecast Net Revenue Budget (b)</b>	<b>20,065</b>	<b>20,932</b>	<b>10,457</b>	<b>10,997</b>	<b>11,209</b>	<b>11,425</b>	<b>11,643</b>	<b>11,866</b>	<b>12,099</b>	<b>12,338</b>
<b>Difference between resources and forecast budget (a + b)</b>	<b>1,140</b>	<b>1,637</b>	<b>2,022</b>	<b>2,317</b>	<b>2,276</b>	<b>2,233</b>	<b>2,183</b>	<b>2,130</b>	<b>2,079</b>	<b>2,025</b>

**SELBY DISTRICT COUNCIL - 10 YEAR FINANCIAL PLAN Mid Case**

GENERAL FUND	Revised	← Medium Term Financial Plan →				← Long Term Forecast →				
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2026/27	2027/28
<b>KEY ASSUMPTIONS</b>										
Growth/Inflation	2.00%	3.00%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Interest Rates	0.90%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.50%	2.50%	2.50%
Tax Base Increase	1.81%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Government Settlement Funding change	-7.36%	-1.57%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Council Tax Increase	£3	£5	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%
<b>COUNCIL TAX</b>										
Tax Base (Number of Band D Equivalents)	31.395	31.709	32.026	32.346	32.670	32.996	33.326	33.660	33.996	34.336
Council Tax @ Band D (£)	178.22	183.22	186.87	190.59	194.38	198.25	202.19	206.22	210.32	214.51
Council Tax Income (£000's)	5,595	5,810	5,985	6,165	6,350	6,542	6,738	6,941	7,150	7,365
Precept (£000's)	5,595	5,810	5,985	6,165	6,350	6,542	6,738	6,941	7,150	7,365
<b>REVENUE FINANCING</b>										
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Local Income</b>										
Council Tax	- 5,595	- 5,810	- 5,985	- 6,165	- 6,350	- 6,542	- 6,738	- 6,941	- 7,150	- 7,365
Council Tax Collection Fund Surplus/Deficit (+/-)	23									
Business Rates Collection Fund Surplus/Deficit (+/-)	- 8,865	- 9,000								
<b>Gov't Funding/Grants</b>										
Settlement Funding - Business Rates (Baseline from 21/22)	- 2,427	- 2,281	- 2,410	- 2,458	- 2,507	- 2,558	- 2,609	- 2,661	- 2,714	- 2,768
Settlement Funding - Revenue Support Grant										
Settlement Funding - Rural Services and Transitional Grants	-	- 108								
New Homes Bonus	- 1,955	- 1,988								
Other Specific Grants	- 105	- 83								
<b>TOTAL EXTERNAL RESOURCES</b>	<b>(a) - 18,925</b>	<b>- 19,270</b>	<b>- 8,395</b>	<b>- 8,623</b>	<b>- 8,858</b>	<b>- 9,099</b>	<b>- 9,347</b>	<b>- 9,602</b>	<b>- 9,864</b>	<b>- 10,134</b>
<b>REVENUE BUDGET</b>										
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Approved Operational Budget - Net (Per Council Feb 19)	11,601	11,214	10,884	10,796	11,165	11,232	11,456	11,686	11,919	12,158
Investment Interest	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300
Capital Financing	818	278	204	208	212	216	221	225	230	234
Parish CTS Grant	-	-	-	-	-	-	-	-	-	-
<b>Net Budget Before Contributions to/from reserves</b>	<b>12,119</b>	<b>11,192</b>	<b>10,788</b>	<b>10,704</b>	<b>11,077</b>	<b>11,148</b>	<b>11,377</b>	<b>11,611</b>	<b>11,849</b>	<b>12,092</b>
<b>Contributions to Reserves:</b>										
PFI Scheme (incl SDC's contribution & interest)	295	303	310	316	321	326	330	333	333	333
Asset Management	200	200	200	200	200	200	200	200	200	200
ICT	141	177	213	250	250	250	250	250	250	250
District Election	34	34	38	38	38	38	38	38	38	38
Pension Equalisation	100	100	100	100	100	100	100	100	100	100
Special Projects/P4G	6,351	11,096	-	-	-	-	-	-	-	-
Local Plan	50	50	50	50	50	50	50	50	50	50
Business Rates Equalisation	3,321									
<b>Contributions from Reserves:</b>										
Business Development/Spend to Save										
ICT	- 321	- 149	- 150	- 153	- 156	- 159	- 162	- 166	- 169	- 172
PFI	- 427	- 435	- 444	- 453	- 462	- 471	- 481	- 491	- 491	- 491
Asset Management	- 497	- 129	- 54	- 55	- 56	- 57	- 58	- 60	- 61	- 62
Special Project/P4G Salaries	- 940	- 595	- 300							
S106 Affordable Housing Commuted Sums										
District Election	- 136				- 153					
Discretionary Rate Relief										
Local Plan	- 98	- 167								
Business Rates Equalisation (Internal safety net top-up)	- 127	- 745	- 294							
<b>Net Contributions to/from reserves (+/-)</b>	<b>7,946</b>	<b>9,740</b>	<b>- 331</b>	<b>293</b>	<b>132</b>	<b>277</b>	<b>266</b>	<b>255</b>	<b>250</b>	<b>246</b>
<b>Forecast Net Revenue Budget</b>	<b>(b) 20,065</b>	<b>20,932</b>	<b>10,457</b>	<b>10,997</b>	<b>11,209</b>	<b>11,425</b>	<b>11,643</b>	<b>11,866</b>	<b>12,099</b>	<b>12,338</b>
<b>Difference between resources and forecast budget (a + b)</b>	<b>1,140</b>	<b>1,662</b>	<b>2,062</b>	<b>2,374</b>	<b>2,351</b>	<b>2,326</b>	<b>2,296</b>	<b>2,264</b>	<b>2,235</b>	<b>2,204</b>

**SELBY DISTRICT COUNCIL - 10 YEAR FINANCIAL PLAN 'Worst' Case**

GENERAL FUND	Revised	← Medium Term Financial Plan →					Long Term Forecast →			
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2026/27	2026/27
<b>KEY ASSUMPTIONS</b>										
Growth/Inflation	2.00%	4.00%	3.50%	2.50%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Interest Rates	0.65%	0.75%	1.00%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.50%
Tax Base Increase	1.81%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Government Grant (SFA) change	10.92%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Council Tax Increase	£3	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%
<b>COUNCIL TAX</b>										
Tax Base (Number of Band D Equivalents)	31.395	31.630	31.868	32.107	32.347	32.590	32.835	33.081	33.329	33.579
Council Tax @ Band D (£)	178.22	181.77	185.39	189.08	192.84	196.68	200.59	204.58	208.65	212.81
Council Tax Income (£000's)	5,595	5,750	5,908	6,071	6,238	6,410	6,586	6,768	6,954	7,146
Precept (£000's)	5,595	5,750	5,908	6,071	6,238	6,410	6,586	6,768	6,954	7,146
<b>REVENUE FINANCING</b>	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Local Income</b>										
Council Tax	- 5,595	- 5,750	- 5,908	- 6,071	- 6,238	- 6,410	- 6,586	- 6,768	- 6,954	- 7,146
Council Tax Collection Fund Surplus/Deficit (+/-)	23									
Business Rates Collection Fund Surplus/Deficit (+/-)	- 8,865	- 9,000								
<b>Gov't Funding/Grants</b>										
Settlement Funding - Business Rates (Baseline from 21/22)	- 2,427	- 2,281	- 2,410	- 2,458	- 2,507	- 2,558	- 2,609	- 2,661	- 2,714	- 2,768
Settlement Funding - Revenue Support Grant										
Settlement Funding - Rural Services and Transitional Grants	-	- 108								
New Homes Bonus	- 1,955	- 1,988								
Other Specific Grants	- 105	- 83								
<b>TOTAL EXTERNAL RESOURCES (a)</b>	<b>- 18,925</b>	<b>- 19,210</b>	<b>- 8,318</b>	<b>- 8,529</b>	<b>- 8,745</b>	<b>- 8,967</b>	<b>- 9,195</b>	<b>- 9,429</b>	<b>- 9,668</b>	<b>- 9,914</b>
<b>REVENUE BUDGET</b>	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Approved Operational Budget - Net (Per Council Feb 19)	11,601	11,214	10,884	10,849	11,219	11,287	11,513	11,743	11,978	12,217
Investment Interest	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300	- 300
Capital Financing	818	278	204	209	213	218	222	226	231	235
Additional recurring growth (St Scene and Car Parking)	-	500	510	520	531	541	552	563	574	586
<b>Net Budget Before Contributions to/from reserves</b>	<b>12,119</b>	<b>11,692</b>	<b>11,298</b>	<b>11,278</b>	<b>11,662</b>	<b>11,746</b>	<b>11,987</b>	<b>12,232</b>	<b>12,483</b>	<b>12,739</b>
<b>Contributions to Reserves:</b>										
PFI Scheme (incl SDC's contribution & interest)	295	303	310	316	321	326	330	333	333	333
Asset Management	200	200	200	200	200	200	200	200	200	200
ICT	141	177	213	250	250	250	250	250	250	250
District Election	34	34	38	38	38	38	38	38	38	38
Pension Equalisation	100	100	100	100	100	100	100	100	100	100
Special Projects/P4G	6,351	11,096	-	-	-	-	-	-	-	-
Local Plan	50	50	50	50	50	50	50	50	50	50
Business Rates Equalisation	3,321									
<b>Contributions from Reserves:</b>										
Business Development/Spend to Save										
ICT	- 321	- 149	- 150	- 154	- 157	- 160	- 163	- 166	- 170	- 173
PFI	- 427	- 435	- 444	- 453	- 462	- 471	- 481	- 491	- 491	- 491
Asset Management	- 497	- 129	- 54	- 55	- 56	- 58	- 59	- 60	- 61	- 62
Special Project/P4G Salaries	- 940	- 595	- 300							
S106 Affordable Housing Commuted Sums										
District Election	- 136				- 153					
Discretionary Rate Relief										
Local Plan	- 98	- 167								
Business Rates Equalisation (Internal safety net top-up)	- 127	- 745	- 294							
<b>Net Contributions to/from reserves (+/-)</b>	<b>7,946</b>	<b>9,740</b>	<b>- 331</b>	<b>292</b>	<b>131</b>	<b>275</b>	<b>265</b>	<b>254</b>	<b>249</b>	<b>245</b>
<b>Forecast Net Revenue Budget (b)</b>	<b>20,065</b>	<b>21,432</b>	<b>10,967</b>	<b>11,570</b>	<b>11,793</b>	<b>12,021</b>	<b>12,252</b>	<b>12,486</b>	<b>12,732</b>	<b>12,983</b>
<b>Difference between resources and forecast budget (a + b)</b>	<b>1,140</b>	<b>2,223</b>	<b>2,649</b>	<b>3,041</b>	<b>3,048</b>	<b>3,054</b>	<b>3,057</b>	<b>3,057</b>	<b>3,064</b>	<b>3,069</b>

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**SELBY DISTRICT COUNCIL - HRA 30 YEAR FINANCIAL PLAN (Based on 30 Year MRP - Original Budget)**

	1	2	3	4	5	6	7	8	9	10
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
← Medium Term Financial Plan →										
<b>KEY ASSUMPTIONS</b>										
Inflation	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Interest Rates	0.50%	0.75%	1.25%	1.50%	1.75%	2.00%	2.25%	2.50%	2.50%	2.50%
Estimated Sales	-20	-20	-20	-20	-20	-20	-20	-20	-20	-20
Demolitions										
Estimated New Build	19	20	20	20	20	20	20	20	20	20
Void Loss	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Provision for Bad Debts	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Provision for Bad Debts - Universal Credit	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Fees & Charges	2.90%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Rent Increase CPI + 1%	-1.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Number of Dwellings (Mid Year Average)	3,045	3,044	3,044	3,044	3,044	3,044	3,044	3,044	3,044	3,044
Average Rent - Rent Restructuring	82.43	84.90	87.45	90.07	92.77	95.56	98.42	101.38	104.42	107.55
Rent Weeks	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00
Rent Income (£)	-12,045,611	-12,404,941	-12,777,090	-13,160,402	-13,555,214	-13,961,871	-14,380,727	-14,812,149	-15,256,513	-15,714,208
Void loss	-240,912	-248,099	-255,542	-263,208	-271,104	-279,237	-287,615	-296,243	-305,130	-314,284
Provision for Bad & Doubtful Debts	-259,703	-267,451	-275,474	-283,738	-292,250	-301,018	-310,048	-319,350	-328,930	-338,798
Net Rent Income	-11,544,995	-11,889,392	-12,246,074	-12,613,456	-12,991,859	-13,381,615	-13,783,064	-14,196,556	-14,622,452	-15,061,126
% Increase in Rent	-1.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
<b>REVENUE FINANCING</b>										
Dwellings Rents	-11,544,995	-11,889,392	-12,246,074	-12,613,456	-12,991,859	-13,381,615	-13,783,064	-14,196,556	-14,622,452	-15,061,126
Garage Rents	-102,591	-104,643	-106,736	-108,871	-111,048	-113,269	-115,534	-117,845	-120,202	-122,606
<b>Total Resources (£)</b>	<b>-11,647,586</b>	<b>-11,994,035</b>	<b>-12,352,810</b>	<b>-12,722,327</b>	<b>-13,102,908</b>	<b>-13,494,884</b>	<b>-13,898,598</b>	<b>-14,314,401</b>	<b>-14,742,654</b>	<b>-15,183,732</b>
<b>REVENUE BUDGET</b>										
Operational Services	1,824,651	1,960,653	2,000,226	2,040,231	2,081,035	2,122,656	2,165,109	2,208,411	2,252,579	2,297,631
Commissioning Contracts & Procurement	108,720	112,070	115,530	117,841	120,197	122,601	125,053	127,554	130,106	132,708
Contingency	75,000	75,000	75,000	76,500	78,030	79,591	81,182	82,806	84,462	86,151
CEC Recharge from General Fund	2,775,200	2,616,704	2,673,318	2,726,784	2,781,320	2,836,946	2,893,685	2,951,559	3,010,590	3,070,802
Savings Target	-214,000									
Debt Management Costs	6,000	6,000	6,000	6,120	6,242	6,367	6,495	6,624	6,757	6,892
Investment Interest - Notional Sum	-135,000	-135,000	-135,000	-137,025	-139,423	-142,211	-145,411	-149,046	-152,773	-156,592
Repayment of HRA Reform Loan (Interest)	2,378,430	1,889,387	1,841,905	1,841,905	1,841,905	1,841,905	1,841,905	1,841,905	1,841,905	1,841,905
Contribution to Computer Development Reserve	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
<b>Net Service Costs</b>	<b>6,869,001</b>	<b>6,574,814</b>	<b>6,626,979</b>	<b>6,722,355</b>	<b>6,819,307</b>	<b>6,917,855</b>	<b>7,018,019</b>	<b>7,119,814</b>	<b>7,223,627</b>	<b>7,329,497</b>
<b>Net Service Surplus / Deficit before contribution to MRR &amp; CAA</b>	<b>-4,778,585</b>	<b>-5,419,221</b>	<b>-5,725,831</b>	<b>-5,999,971</b>	<b>-6,283,601</b>	<b>-6,577,029</b>	<b>-6,880,580</b>	<b>-7,194,587</b>	<b>-7,519,028</b>	<b>-7,854,235</b>
Voluntary MRP for Self-Financing Debt	1,260,000	1,260,000	1,260,000	2,281,650	2,281,650	2,281,650	2,281,650	2,281,650	2,281,650	2,281,650
Assumed Voluntary MRP for HDP	149,780	231,726	315,310	400,567	487,528	576,229	666,703	758,987	853,117	949,129
Assumed HDP Interest	111,247	166,807	223,477	281,281	340,240	400,379	461,721	524,290	588,110	653,206
<b>Net Resources Transferred to Major repairs Reserve</b>	<b>-3,257,557</b>	<b>-3,760,689</b>	<b>-3,927,043</b>	<b>-3,036,474</b>	<b>-3,174,182</b>	<b>-3,318,771</b>	<b>-3,470,505</b>	<b>-3,629,660</b>	<b>-3,796,151</b>	<b>-3,970,249</b>
<b>Major Repairs Reserve</b>										
Opening Balance	-8,177,969	-5,537,621	-3,822,137	-2,381,625	-248,258	1,840,330	3,912,031	6,907,327	9,131,113	11,313,128
Transfers	-766,697									
Revenue Contributions	-3,257,557	-3,760,689	-3,927,043	-3,036,474	-3,174,182	-3,318,771	-3,470,505	-3,629,660	-3,796,151	-3,970,249
Assumed Capital Programme	6,664,602	5,476,173	5,367,555	5,169,841	5,262,771	5,390,472	6,465,801	5,853,446	5,978,165	6,258,266
Closing Balance	<b>-5,537,621</b>	<b>-3,822,137</b>	<b>-2,381,625</b>	<b>-248,258</b>	<b>1,840,330</b>	<b>3,912,031</b>	<b>6,907,327</b>	<b>9,131,113</b>	<b>11,313,128</b>	<b>13,601,144</b>
<b>CFR/Cashflow</b>										
Opening Balance	-8,319,960.00	-9,729,740.12	-4,721,465.89	-6,296,776.21	-8,978,992.79	-11,748,170.73	-14,606,049.28	-17,554,402.44	-20,595,039.70	-23,729,806.75
Less unfinanced capital expenditure (internal borrowing)										
Add Voluntary MRP	1,409,780.12	1,491,725.77	1,575,310.32	2,682,216.57	2,769,177.95	2,857,878.55	2,948,353.16	3,040,637.26	3,134,767.05	3,230,779.43
Less Debt Repaid		6,500,000.00								
Closing Balance	9,729,740.12	4,721,465.89	6,296,776.21	8,978,992.79	11,748,170.73	14,606,049.28	17,554,402.44	20,595,039.70	23,729,806.75	26,960,586.18
<b>Net Cashflow</b>	<b>-15,267,361.52</b>	<b>-8,543,603.21</b>	<b>-8,678,401.61</b>	<b>-9,227,251.09</b>	<b>-9,907,840.51</b>	<b>-10,694,018.23</b>	<b>-10,647,075.24</b>	<b>-11,463,926.86</b>	<b>-12,416,679.22</b>	<b>-13,359,442.13</b>

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Reserve Balances 2019 - 2021															
Description	Actual Balance 31 March 19	Use	Transfers	Contribs	Estimated Balance 31 March 20	Use	Contribs	Estimated Balance 31 March 21	Use	Contribs	Estimated Balance 31 March 22	Use	Contribs	Estimated Balance 31 March 23	Comments
	£	£		£	£	£	£	£	£	£	£	£	£	£	
<b>Revenue Reserves</b>															
<b>General Fund</b>															
<b>Reserves to fund future commitments:</b>															
PFI Scheme	3,528,364	- 426,788		295,156	3,396,732	- 435,323	302,759	3,264,168	- 444,030	309,672	3,129,810	- 444,030	309,672	2,995,452	Reserve expected to be fully spent by 2035/36. 2022/23 to be confirmed
ICT	378,134	- 984,948	500,000	191,000	84,186	- 280,000	227,000	31,186	- 280,000	263,000	14,186	- 280,000	300,000	34,186	Indicative profile - assessment of requirements in progress
Asset Management	995,807	- 1,375,190	250,000	200,000	70,617	- 128,998	200,000	141,619	- 53,825	200,000	287,794	- 53,825	200,000	433,969	Subject to refreshed Asset Management Strategy
Local Plan	439,428	- 416,057	250,000	50,000	323,371	- 167,500	50,000	205,871		50,000	255,871		50,000	305,871	
Election	147,934	- 136,000		34,000	45,934		34,000	79,934		38,000	117,934		38,000	155,934	
	5,489,668	- 3,338,983	1,000,000	770,156	3,920,841	- 1,011,821	813,759	3,722,779	- 777,855	860,672	3,805,596	- 777,855	897,672	3,925,413	
<b>Reserves to fund growth and improvement:</b>															
Special Projects/Unallocated	3,401,850			5,077,295	8,479,145		10,988,000	19,467,145			19,467,145			19,467,145	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 and 2020/21 - £3.3m transferred to BRER to support the revenue budget and £25k is allocated to P4G, the rest will be available for allocation.
Special Projects / Programme for Growth	6,229,284	- 3,641,480		1,273,414	3,861,218	- 2,789,303		1,071,914	- 1,071,914		-			-	Remainder of Approved P4G Programme, reprofiled over remaining years
S106 Affordable Housing Commuted Sums	5,460,626	- 1,290,000		1,218,744	5,389,370	- 210,000	1,218,744	6,398,114		609,372	7,007,486			7,007,486	Funds ring-fenced and spend subject to progress on housing developments
Other S106 contributions	135,019				135,019			135,019			135,019			135,019	New reserve to be created - profile of spend to be confirmed
Community Infrastructure Levy	1,159,347			567,221	1,726,567			1,726,567			1,726,567			1,726,567	New reserve to be created - profile of spend to be confirmed
Discretionary Rate Relief Fund	240,003	- 50,000			190,003			190,003			190,003			190,003	
NYCC Collaboration	50,000	- 50,000			-			-			-			-	
Spend To Save (Business Development)	310,077	- 41,334	150,000		418,743			418,743			418,743			418,743	Held to support upfront investment or transitional costs to deliver savings/efficiencies/income generation - spend subject to annual bidding through budget process
	16,986,206	- 5,072,814	150,000	8,136,674	20,200,065	- 2,999,303	12,206,744	29,407,506	- 1,071,914	609,372	28,944,964	-	-	28,944,964	
<b>Reserves to mitigate financial risk:</b>															
Pensions Equalisation Reserve	841,643		- 750,000	100,000	191,643		100,000	291,643		100,000	391,643		100,000	491,643	Awaiting 2019 triennial valuation
NDR Equalisation	2,472,346			3,320,595	5,792,941	- 745,349		5,047,592	- 293,504		4,754,088			4,754,088	£7.6m held to support revenue budget to 2021/22 - drawdown is subject to savings delivery
Contingency	613,962	- 250,000			363,962			363,962			363,962			363,962	
General Fund	1,653,222	- 150,000			1,503,222			1,503,222			1,503,222			1,503,222	Minimum working balance £1.5m
	5,581,172	-	- 1,150,000	3,420,595	7,851,767	- 745,349	100,000	7,206,418	- 293,504	100,000	7,012,914	-	100,000	7,112,914	
<b>Total GF Revenue reserves</b>	<b>28,057,047</b>	<b>- 8,411,797</b>	<b>-</b>	<b>12,327,425</b>	<b>31,972,674</b>	<b>- 4,756,473</b>	<b>13,120,503</b>	<b>40,336,704</b>	<b>- 2,143,273</b>	<b>1,570,044</b>	<b>39,763,474</b>	<b>- 777,855</b>	<b>997,672</b>	<b>39,983,291</b>	
<b>HRA</b>															
HRA Unallocated Balance	2,266,697		- 766,697		1,500,000			1,500,000			1,500,000			1,500,000	Minimum working balance £1.5m remainder transferred to MRR to support housing improvement programme
C/fwd Budgets (HRA)	2,295,202	- 2,295,202			-			-			-			-	
Major Repairs Reserve - Capital Programme	5,882,767	- 4,369,400	766,697	3,257,557	5,537,621	- 5,476,173	3,760,689	3,822,137	- 5,367,555	3,927,043	2,381,625	- 5,169,841	3,036,474	248,258	Spend profile subject to approved capital programme - aligns to HRA Business Plan Mid-Case
<b>Sub Total</b>	<b>10,444,666</b>	<b>- 6,664,602</b>	<b>-</b>	<b>3,257,557</b>	<b>7,037,621</b>	<b>- 5,476,173</b>	<b>3,760,689</b>	<b>5,322,137</b>	<b>- 5,367,555</b>	<b>3,927,043</b>	<b>3,881,625</b>	<b>- 5,169,841</b>	<b>3,036,474</b>	<b>1,748,258</b>	
<b>Total Revenue Reserves</b>	<b>38,501,712</b>	<b>- 15,076,399</b>	<b>-</b>	<b>15,584,982</b>	<b>39,010,295</b>	<b>- 10,232,646</b>	<b>16,881,192</b>	<b>45,658,840</b>	<b>- 7,510,828</b>	<b>5,497,087</b>	<b>43,645,099</b>	<b>- 5,947,696</b>	<b>4,034,146</b>	<b>41,731,549</b>	
<b>Capital Reserves</b>															
General Fund Receipts (after P4G removed)	1,747,026	- 325,000			1,422,026			1,422,026			1,422,026			1,422,026	Earmarked for replacement wheeled bins
HRA Capital Receipts	3,743,792	- 821,807		500,000	3,421,985	- 310,000	500,000	3,611,985		500,000	4,111,985		500,000	4,611,985	
HRA Capital Receipts (HRA Reserved)	0	- 250,000		250,000	0			0			0			0	
<b>Total GF Capital Receipts</b>	<b>5,490,818</b>	<b>- 1,396,807</b>	<b>-</b>	<b>750,000</b>	<b>4,844,011</b>	<b>- 310,000</b>	<b>500,000</b>	<b>5,034,011</b>	<b>-</b>	<b>500,000</b>	<b>5,534,011</b>	<b>-</b>	<b>500,000</b>	<b>6,034,011</b>	

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## Savings Plan

Strategic Category	General Fund - Potential Saving	Original Risk in Budget	2019/20 Target £000's	2019/20 Forecast £000's	2020/21 Target £000's	2021/22 Target £000's	Update/Comments
Growing resources	Income generation	High	12	0	120	185	At the current time, income streams have not been increased beyond inflation and no new income streams have been introduced. This will be kept under review, and options where additional income can be generated will be considered.
Growing resources	Asset rationalisation	Medium	76	20	125	125	Additional income has been generated from Align, registrars and meeting room bookings. The remainder of this saving however is dependent upon the move from Market Cross. The move of the contact centre is anticipated to happen in the near future, but the negotiations on the lease at Market Cross are still ongoing and other alternatives such as sub-letting are being considered.
Growing resources	New SDHT Loans	Low	100	100	100	100	In 19/20 loans include Riccall, Ulleskelf, and Ousegate, all of which contribute towards this target. 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, although the timing of these new opportunities will only become clearer as the programme progresses. Targets will be updated as new loans are approved.
Growing resources	Commercial property acquisition	High	50	0	100	250	The current programme for growth has £3.5m earmarked for commercial property acquisition which will generate a direct return on investment. To date this has been used to acquire two vacant former banks, but these are not expected to make an ongoing revenue stream in the current financial year. There have been no further acquisitions at this stage, this will be updated as and when new acquisitions occur.
Growing resources	Business Rates Growth	High	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.

Strategic Category	General Fund - Potential Saving	Original Risk in Budget	2019/20 Target £000's	2019/20 Forecast £000's	2020/21 Target £000's	2021/22 Target £000's	Update/Comments
Growing resources	Property Fund Investment	Medium	200	200	200	200	An investment was made in October 2018 into 2 property funds with an estimated net return of 4% per annum. At the end of Q1, this investment has made this return but actual returns for the full year are subject to fund performance.
Growing resources	Increase cap on investment income - NEW	Medium	50	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.
<b>Total Growing Resources</b>		<b>0</b>	<b>488</b>	<b>370</b>	<b>795</b>	<b>1110</b>	
Transforming	Process improvements /on-line transactions	Medium	200	137	250	300	The Channel shift project is currently being delivered and savings from this are starting to be recognised. There have been savings made through natural turnover where the benefits of digitalisation have led to increased efficiency plus additional savings generated from reduction in paper and postage as a result of increased usage of IT. Further benefits from this are expected to be achieved as the projects continue to roll out, but some of this will be in the next financial year.
Transforming	Planning service review	Medium	100	40	200	200	A review is currently taking place. The current expectation is that £40k of efficiencies can be found in the service and this will be updated once the review is completed. The review is being undertaken with a view to maximising efficiency whilst ensuring no detriment to service delivery, and the final confirmed saving achieved will reflect this aim.
<b>Total Transforming</b>		<b>0</b>	<b>300</b>	<b>177.032</b>	<b>450</b>	<b>500</b>	
Commissioning	Environmental contract	High	40	0	40	40	The environmental saving target of (£40k) is now unlikely to be delivered in year. However it will be tied in with the investment in a standard rear loading collection fleet and area based working and a range of opportunities to increase the efficiency of contract delivery which are being explored currently. There is potential to exceed the target in future years. This provides the opportunity to maximise operational efficiencies which will be captured as part of the formal contract variation to deliver cashable savings in 2020/21 and beyond.
Commissioning	Procurement partnership	Low	12	12	12	12	Selby has exited from the North Yorkshire Procurement Partnership in April 2019, which will achieve £12k saving. Approved by the Executive 4/10/2018.
Collaboration	Work carried out for third parties	Medium	30	0	30	30	This work with another District Council has now ceased. There are no current third party support provided to others.
Commissioning	Contract renewals	Medium	10	10	20	20	A saving is still expected from this, and a clearer picture will be available as these contract renewals are completed.
<b>Total Collaboration &amp; Commissioning</b>		<b>0</b>	<b>92</b>	<b>22</b>	<b>102</b>	<b>102</b>	

Strategic Category	General Fund - Potential Saving	Original Risk in Budget	2019/20 Target £000's	2019/20 Forecast £000's	2020/21 Target £000's	2021/22 Target £000's	Update/Comments
Technical/housekeeping	Remove contributions to pension reserve - NEW	Low	100	100	100	100	This mitigates above inflationary rises in future pension contributions - risk to be managed within base budget from 2019/20.
Technical/housekeeping	Reduce contingencies - NEW	Low	160	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.
<b>Total Technical/Housekeeping</b>		<b>0</b>	<b>260</b>	<b>260</b>	<b>260</b>	<b>260</b>	
<b>Total</b>		<b>-</b>	<b>1,140</b>	<b>829</b>	<b>1,607</b>	<b>1,972</b>	

Strategic Category	HRA - Potential Saving	Risk	2019/20 Target £000's	Forecast £000's	2020/21 Target £000's	2021/22 Target £000's	Update/Comments
Transforming	Process improvements /on-line transactions	Medium	194	7	194	194	The new housing/asset management system is in the process of being implemented. There have been delays in the development of the new software modules by the supplier which has resulted in phase 2 (where most savings are expected to be implemented) slipping into early 2020/21. The savings that will be recognised this year related to the saving on maintenance costs.
Commissioning	Commissioning & collaboration	High	8	0	8	8	Opportunities will continue to be considered for savings on contracts, but there is no current view on where this saving may be generated from.
Commissioning	NYCC Procurement Partnership	Low	12	12	12	12	Selby has exited from the North Yorkshire Procurement Partnership in April 2019, which will achieve £12k saving. Approved by the Executive 4/10/2018.
<b>Total</b>		<b>-</b>	<b>214</b>	<b>19</b>	<b>214</b>	<b>214</b>	

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	Original Programme	Revised Programme	Estimated Programme	Estimated Programme
	2019/20 £	2019/20 £	2020/21 £	2021/22 £
<b>PROJECTS</b>				
Asset Management Plan Leisure Centres & Park	19,002	19,002	75,998	825
Road Adoption - Industrial Units Sherburn		325,000		
Enhancement of Car Parks	300,000	727,987		
Selby Park Wall		21,060		
Police Co-Location Project		41,334		
Collapsed Culvert - Portholme Road		419,141		
<b>New Bids</b>				
Transforming Customer Services	97,132	110,000		
Industrial Unit Improvement Programme	50,000	50,000	50,000	50,000
Works to South Milford Retaining Wall	15,000	15,000		
Housing Development (Loans to SDHT)	7,694,300	12,690,612		
<b>Grants</b>				
Disabled Facilities Grants	346,958	630,445	346,958	346,958
Repair Assistance Loans	30,000	42,407	30,000	
<b>ICT Hardware &amp; Systems Within ICT Strategy</b>				
DIP Upgrade				
Virtual Servers, Software & Storage	25,000	25,000		
Northgate Benefits & Taxation system development	15,000	40,075	15,000	15,000
Idox Planning Software		13,728		
Northgate Revs & Bens replacement software		8,675		
Asset Management System		132,375		
GIS System		37,131		
Customer Portal		57,500		
Portal / Digital Platform - to Housing Mgmt System		18,000		
Disaster Recovery Improvements	20,000	47,688		
Microsoft Licensing	85,000	170,000	85,000	85,000
Laptop Refresh	40,000	126,995	33,000	49,500
Committee Management System		3,000		
Citrix & other Software Licences		85,194		
ICT Infrastructure		4,597		
<b>New bids</b>				
Civica Pay	36,100	36,100		
Microphone System	40,000	40,000		
<b>Implementation &amp; Infrastructure Costs</b>	<b>261,100</b>		<b>133,000</b>	<b>149,500</b>
Mobile Working Solution / Digital Workforce	60,000	100,000	16,000	
<b>TOTAL</b>	<b>8,873,492</b>	<b>15,191,988</b>	<b>651,956</b>	<b>547,283</b>
<b>SUMMARY OF FUNDING</b>				
Capital Receipts	30,000	367,407	30,000	
Grants & Contributions	346,958	630,445	346,958	346,958
Reserves	802,234	1,503,524	274,998	200,325
S106 Commuted Sums	220,000	580,000		
Borrowing	7,474,300	12,110,612		
<b>TOTAL</b>	<b>8,873,492</b>	<b>15,191,988</b>	<b>651,956</b>	<b>547,283</b>

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

	Original Programme	Revised Programme	Estimated Programme	Estimated Programme
	2019/20 £	2019/20 £	2020/21 £	2021/22 £
<b>PROJECTS</b>				
<b>Current Projects</b>				
Electrical Rewires	240,000	240,000	533,141	543,804
Central Heating Systems	545,000	601,773	490,416	500,224
Roof Replacements	400,000	1,111,805	1,028,874	1,049,451
Damp Surveys & Works	220,000	348,110	224,400	228,888
Door & Window Replacements	120,000	687,563		
Kitchen Replacements	130,000	305,076		
Pre Paint & Cyclical Repairs	160,000	418,966		
Void Property Repairs	145,000	145,000	138,037	130,737
Fencing & Gates	40,000	60,830	40,800	41,616
Bathroom Replacements	30,000	134,400		
Pointing Works	300,000	575,461	306,000	312,120
Laurie Backhouse Court Refurbishment		38,231		
Environmental Improvement Plan		145,710		
Community Centre Refurbishment	30,000	78,000		
Sheltered Homes Adaption	165,000	249,799	153,000	
Estate Enhancements	100,000	224,412		
Ousegate Refurbishment		55,804		
St Wilfrids Court Refurbishment	100,000	113,000		
Aids & Adaptations Programme			183,600	187,272
<b>New Bids</b>				
Fire Risk Assessments	100,000	100,000	51,000	
Asbestos Assessments	120,000	120,000	122,400	124,848
Door Replacements	37,600		172,115	175,557
Window Replacements	333,300		567,732	579,087
Kitchen Replacements	50,000		371,076	378,498
Bathroom Replacements	104,400		522,077	532,518
Co Detection Installation Programme	226,600	226,600		
Co Detection Replacement Programme			38,556	39,327
Communal Area Refurbishment Programme	230,000	230,000	234,600	239,292
Footpath Repairs	172,500	184,062	175,950	179,469
Energy Efficiency Programme	150,000	150,000		
Sewage Pumping Station Replacement Programme	120,000	120,000	122,400	124,847
Sub-total HRA Improvement Programme	4,369,400	6,664,602	5,476,173	5,367,555
New Build Projects	2,280,000	3,479,400		
Empty Homes Programme	700,000	1,300,000	700,000	
<b>TOTAL*</b>	<b>7,349,400</b>	<b>11,444,002</b>	<b>6,176,173</b>	<b>5,367,555</b>
<b>SUMMARY OF FUNDING</b>				
Revenue Contributions	4,369,400	6,664,602	5,476,173	5,367,555
Borrowing	1,900,000	2,900,000		
Capital Receipts	340,000	779,400	280,000	
HCA Grant Funding	210,000	390,000	210,000	
S.106 Commuted Sums - affordable housing subsidy	530,000	710,000	210,000	
<b>TOTAL</b>	<b>7,349,400</b>	<b>11,444,002</b>	<b>6,176,173</b>	<b>5,367,555</b>

\* The programme is indicative to align with the HRA business plan and it is subject to Council approval as part of the budget process.



APPENDIX E

Project	Lead Officer	Multi-Year Project Budget	Position @ 30 June 2019			Update
			In Year Spend 19/20	Forecast	Forecast Variance	
Healthy Living Concepts Fund	Angela Crossland	116,791	23,750	116,791	0	The Selby Health Matters group have now finalised a 3 year action plan to support delivery of local initiatives for which this fund will support. 2019/20 P4G allocation is the final year contribution to this fund. Current projects underway are the Local Cycling and Walking Infrastructure Plan which has a committed amount from the fund of £47.5k. The work commenced in Dec 2018 and is due to conclude by end Sept 2019. Current work with Selby Health Matters and IHL to determine use of outstanding fund allocation. This will be focused on active travel and tackling childhood obesity.
Visitor Economy (Tourism & Culture)	Angela Crossland	477,429	23,295	477,429	0	Budget represents a 3 year programme which will be complete by 1/10/22. Year 1 was about creating the foundations. Whilst the initial period has seen very little expenditure, the foundations for delivery have been put in place, including quality officers being recruited into the delivery posts. These are helping with the delivery of the two major cycle races. The team have also led on securing funding to support some of the Selby 950 celebrations (see project below) and in delivering the programme. The emphasis of the work to date has been on: <ul style="list-style-type: none"> <li>• Developing baseline and evaluation data to build a picture of what events and activities bring to local business and audiences.</li> <li>• Establishing strong business and community relationships to continue activity, strengthen visitor products and build legacy partnerships and capacity in the district's visitor, heritage and creative sectors;</li> <li>• Establishing baseline data on audiences, visitors and how these demonstrate the strength and response to our district offer.</li> </ul> <p>It is anticipated that the 2019/20 financial year will see a sustained period of delivery. It is anticipated that expenditure will include £32,905 on data capture, monitoring &amp; evaluation (including social and economic impact studies for Selby 950); £6000 on business events and networking; £20,000 on Visitor Economy place branding and marketing; £1500 to service the Tourism Advisory Board; £7500 on our partnership with Visit York to ensure Selby District businesses receive maximum benefit; £3000 to test Visitor Information Points and £5000 for niche trail maps.</p>
Celebrating Selby 950	Angela Crossland	62,949	(32,576)	62,949	0	The budget represents SDC's contribution to the major programme of events to celebrate Selby 950 being led by SDC in partnership with other key stakeholders in the town and is also partially funded by external funders. Match funding has successfully been awarded by ACE (£70k), HLF (£45k) and Drax Group plc (£20k) which has enabled an exciting and engaging programme of work to be delivered in 2019/20. Successful events such as Selby Sings (involving 250 school-children singing in the Abbey) and the St Germain parade (involving 450 in its preparation and many more watching in the town) have generated significant regional and local media coverage and positive local feedback. Most of the artists contracts are in place, now that permission has been given by the funders and is expected to be complete by February 2020. The in year spend of (£32k) is as a result of grant funding being received in advance of contractor payments.
Retail Experience - Tadcaster Linear Park	Angela Crossland	150,273	0	150,273	0	The Tadcaster Riverside Park project is a long running project currently at design and costings phase with Amey Enterprises. Recent work has been to finalise the design costings. Phase 2 is to put the contract and operational arrangements in place to deliver the project in 2019.
Growing Enterprise	Iain Brown	62,550	(127)	62,550	0	Budget to support one of the 10 priorities in Economic Development Framework (EDF) 2 year delivery programme as approved at the January 2019 Executive. It helps to match-fund small business support with the Leeds City Region LEP and unlock support for small businesses through the Ad:Venture and Digital Enterprise.

Project	Lead Officer	Multi-Year Project Budget	In Year Spend 19/20	Forecast	Forecast Variance	Update
Marketing Selby's USP	Mike James	34,895	6,372	34,895	0	This is the final stage of the 18-month Place Branding project. The project objectives are to support investment and jobs by telling a positive story of the district as a place to do business. We've been delivering this through a series of stories - relating back to our Economic Framework objectives - and working with others, such as the LEPs, to maximise the reach of our material to the relevant audiences. We undertook a full project review following the election and have an updated delivery plan to take us to the end of December 2019. During the first quarter the following has been completed: 1. Procurement for specialist support to create a new business-specific website for the district. 2. Procured a series of media partnerships to tell a positive story of doing business in the district to regional and local audiences. 3. Re-instigated a business communications group, encompassing a range of large and small business representatives from across the district. 4. Started the process of creating some new case study material (words, images and films) linked back to the major themes of the Economic Development framework.
Tour De Yorkshire	Angela Crossland	149,954	133,896	149,954	0	SDC contribution to hosting the finish of the first stage of Tour de Yorkshire (TdY) in May 2019 in Selby Town. This will give the town a massive publicity boost in the year of the Abbey's 950 celebrations. Funding from the Leeds City Region Business Rates Pilot Pool is under consideration for the hosting fees for the Selby event in line with the funding provided for other starts and finishes across the LCR but this is currently unconfirmed.
Retail Experience - STEP	Angela Crossland	78,148	(72)	78,148	0	New work has been commissioned by SDC to develop a town centre strategy and action plan (see below) and this aligns well with the work STEP are doing. Final plans to deliver street scene priorities identified by STEP are due to be implemented in late 2019/20. Spend heavily reliant on partnership engagement and influence on project delivery. There is potential to match fund projects if we are successful with our Heritage Action Zone bid. We will know this by Autumn 2019.
Towns Masterplanning (Regeneration)	Angela Crossland	119,727	7,442	119,727	0	Work has been commissioned in 2019/20 from the People and Places consultancy (Chris Wade) to develop town centre revitalisation plans and prepare for Future High Streets Fund applications throughout 2019 (£15k commission) The first stage of work has been completed in 2019/20 including significant survey and engagement work in Selby Town centre. Further work on this across the three towns will continue into Summer/Sept 2019. Work will identify where match fund and further commission is needed and establish the further multi-partner governance model needed to deliver the strategies and action plans for each town centre.
Strategic Sites Masterplanning	Iain Brown	153,317	(39,952)	153,317	0	Funded due diligence work on Olympia Park, Portholme Road, Edgerton Lodge and Selby Station Masterplan. Future projects will include strategic infrastructure response to Sherburn Employment sites, improvements to the area around the railway station in Selby. Expenditure will include consultancy work to support the Transforming Cities Fund bid for Selby Station.
Access to Employment	Iain Brown	40,000	0	40,000	0	Projects within this budget will be targetted at supporting social mobility to give unemployed people in areas of higher deprivation in Selby District access to current and future employment opportunities e.g. connecting people to employment opportunities at Sherburn, the former Kellingley Colliery, Church Fenton etc.
Housing development Fesibility Work	Iain Brown	100,194	29,796	100,194	0	Housing development feasibility project to identify viability of sites for development.
UCI Road World Championships	Angela Crossland	65,000	0	65,000	0	This project will be delivered within the current financial year. A review is being undertaken to assess the requirements for the race with Yorkshire 2019 and any risks to the budget. Funding from the Leeds City Region Business Rates Pilot Pool is under consideration for the hosting fees for the Selby paracycling event but this is currently unconfirmed.
Empty Homes	June Rothwell Simon Parkinson	88,455	20,936	88,455	0	Overall the project is progressing well and the Empty Homes Officer has directly helped bring empty homes back into use in line with the targets set by offering advice and assistance to owners. Homes England Grant funding has been secured to support the options of voluntary and compulsory purchase. A total of £390,000 has been secured, subject to individual business cases for the properties, to purchase and repair the empty homes, bringing them to a habitable standard. This indicative funding is to bring back in to use 10 empty properties up to 2020, providing up to £39,000 per property. We can also use the funding to purchase 'right to buy' buy backs and this is something we will consider on a case by case basis. We are currently pursuing our first Compulsory Purchase Order. The process is long and quite complex but a successfully CPO will send the message that this is a priority for us.

Project	Lead Officer	Multi-Year Project Budget	In Year Spend 19/20	Forecast	Forecast Variance	Update
Selby District Housing Trust	Iain Brown	34,850	4,328	34,850	0	This fund is to support SDHTs role in the more ambitious HDP approved by Executive in January 2018. A new officer has now been appointed to support the SDHT. The Trust have taken occupation of an additional 17 new affordable homes in 2018/19 delivered through new build and Section 106 acquisitions and a further 12 Section 106 acquisitions in Q1 2019/20.
Stepping Up' Housing Delivery	Iain Brown	9,919	3,168	9,919	0	The Project will support the implementation of the Housing Development Programme approved by the Executive in January 2018.
Olympia Park	Iain Brown	290,985	22,466	290,985	0	Good progress towards delivering Olympia Park was achieved in 2018/19. The majority of site surveys and reports have now been completed, with a flood mitigation strategy being developed by OPD Ltd working closely with the Environment Agency. Alternative engineering design solutions to address the flood and ground condition issues identified should be completed and costed by early September 2019. The Council will be consulting on a new Development Brief and masterplan for the site this Autumn. An application for the link road into the site is also due in late August 2019. The evidence base and masterplan will support the submission of a detailed planning application for the site later in 2019. The Council is project managing delivery of this site working closely with OPD Ltd and with our legal and property advisers to ensure our delivery strategy is robust. The Council secured £8.878m Housing Infrastructure Funding from Homes England and subject to signing of the Grant Determination Agreement by end of September 2019 draw-down of the grant funding will start in 2019/20 with completion of the new link road into the site due by March 2021.
Making our Assets work	Iain Brown	166,593	(2,500)	166,593	0	The budget is targeted at at funding due diligence work to bring the Council's own land assets to the market. These include small garage sites, Portholme Rd, Egerton Lodge, Barby Rd depot and Bondgate.
Summit Indoor Adventure Activity Refresh	Keith Cadman	0	(3,131)	0	0	Works completed during 2018/19 to change the activity mix at the summit after the identification of activities that needed a refresh. In year spend relates to the final costings being processed.
Commercial property acquisition fund	Iain Brown	3,039,424	0	3,039,424	0	This budget will be used to acquire strategic development sites consistent with the Councils regeneration and commercial development opportunities, in some instances this may be used to match fund acquisitions as part of the TCF bid submission.
High Street shop fronts	Angela Crossland	100,000	0	100,000	0	The Project Fund was used as a match fund contribution in the High Streets Heritage Action Zone bid which was submitted on 12 July 2019. We will find out in Autumn 2019 whether we have been successful or not. If so this is a 4 year funding programme to commence April 2020, therefore no forecasted spend in 19/20. This initiative is also inter-dependent with the Towns Masterplanning project (see above). A project officer has now been assigned to lead this from within the Communities and Partnerships team.
New lane - Public Realm	Iain Brown / Angela Crossland	200,000	0	200,000	0	This project has been delayed and new timelines are to be determined because of current capacity issues at both SDC and NYCC. This initiative is also interdependent with the Towns Masterplanning project (see above). This Project fund was used as a match fund contribution to the High Streets Heritage Action Zone funding bid submitted on 12th July 2019. We should find out Autumn 2019 whether we are successful. If so, this is a 4 year funding programme and would expect this budget to be spent from April 2020. No forecast spend in 2019-20.
Staffing costs		2,134,345	222,121	2,134,345	0	This covers all the P4G funded posts across SDC. These posts support delivery of this P4G programme. It also covers the additional core staffing costs in a number of teams required to deliver the Council's corporate growth ambitions including the Economic Development and Regeneration team (to deliver the Economic Development Framework 2 year action plan) and key posts in Communities and Partnerships, Planning and Marketing and Communications.
Contingency		5,000	0	5,000	0	
		<b>7,680,798</b>	<b>419,212</b>	<b>7,680,798</b>	<b>0</b>	

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**Report Reference Number: PR/19/6**

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**To:** Policy Review Committee  
**Date:** 10 September 2019  
**Author:** Wayne Palmer  
**Lead Executive Member:** Cllr Chris Pearson, Lead Executive Member for Housing, Health and Culture  
**Lead Officer:** Julie Slatter, Director of Corporate Services and Commissioning

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**Title: Progress with the implementation of the Air Quality Action Plan**

**Summary:**

To provide an update and information relating to the Air Quality Action Plan.

**Recommendations:**

To consider and comment on the progress with the implementation of the Air Quality Action Plan.

**Reasons for recommendation:**

The report helps to promote the management of air quality in Selby District and in particular provides information on the progress regarding the implementation of measures identified in the Air Quality Action Plan.

**1. Introduction and background**

On the 29 February 2016 Selby District Council designated its first Air Quality Management Area (AQMA) on New Street, Selby for nitrogen dioxide levels related to traffic emissions.

Selby District Council has now finalised an Air Quality Action Plan (AQAP) to help address concentrations of nitrogen dioxide along New Street. The AQAP identifies the measures expected to deliver the greatest and most immediate improvements in Selby's air quality and longer term steps needed to address the impact of development. The Executive approved the adoption of the AQAP in May 2018. The AQAP is intended to be a live document that will be continuously reviewed and developed to take account of future development, traffic growth, and changes in local air quality.

A 'source apportionment' study has previously been carried out for New Street. Source apportionment refers to the process of looking at how different source categories contribute to overall concentrations of a certain pollutant in a particular area. The study has highlighted that traffic sources are likely to be a significant contributing factor to the exceedances of the air quality objectives in the New Street area. Traffic sources are estimated to contribute around 69% to the total nitrogen dioxide in this area, with cars being the predominant source.

The Council is currently working with its partners, including North Yorkshire County Council (NYCC), to deliver measures contained within the AQAP.

## **2. The Report**

Since adoption of Selby District Council's AQAP in May 2018, progress has been made with the following measures:

- Selby District Council undertook a local anti-idling campaign in and around New Street as part of Clean Air Day on 21st June 2018. Posters were distributed to local residents and businesses in relation to anti-idling and an anti-idling banner was erected on New Street to ask drivers to switch off their engines when stationary. The Environmental Health team also received over 20 pledges from Selby District Council staff to leave their cars at home on the day and explore other sustainable means of getting into work. Selby District Council plan to undertake further promotional work around anti-idling as part of Clean Air Day 2019. Events are planned for local businesses and schools and it is proposed to promote the campaign via social media channels. Selby District Council is also currently discussing approaches to anti-idling promotion with Ryedale District Council (*who already have anti-idling signage erected on roads approaching their AQMA*) with a view to erecting further signage in the district (*See AQAP Measure 2 in Annex A*)
- Selby District Council has undertaken research into car clubs and pool bike schemes and is investigating the potential for provision of such facilities in the car park shared by the council and the Selby War Memorial Hospital (Doncaster Road, Selby, YO8 9BX). NYCC Public Health have offered support to the scheme and current funding opportunities are being explored in partnership with North Yorkshire (*See AQAP Measure 3 in Annex A*)
- The origin destination study undertaken to support the development of Selby's AQAP identified a large number of LGV movements around Selby town centre and an influx of commuter trips in the AM peak. With a view to gathering further information about how trips associated with local business operations impact upon traffic levels in New Street, surveys were distributed to local businesses to establish the nature of journeys made and specific routes used by staff (both for travel to work

and during working hours). The information collected will be used to inform the development of further action planning measures relating to workplace travel planning and freight partnerships. Workplace travel initiatives will be delivered in conjunction with the Selby Health Matters group who are currently developing a Public Health Action Plan for the Selby district (*See AQAP Measure 4 in Annex A*)

- Selby District Council has worked with other authorities in the Yorkshire and Lincolnshire regions (through the YALPAG forum) and has input into a set of common principles with respect to low emission planning. This includes an agreed approach to requesting mitigation measures such as EV charging points, Construction Environmental Management Plans (CEMPs) and Low Emission Travel Plans. Selby District Council is currently developing Low Emission Planning Guidance to formalise this process and also take into account the need to minimise opportunities for new exposure on new developments. In the longer term, it is anticipated that this guidance will form a supplementary planning document as part of the Local Plan (*See AQAP Measure 6 in Annex A*)
- Funding for electric vehicle charge points has been secured for the following Selby District Council car parks - South Parade and Back Micklegate. Selby District Council has also secured funding through the OLEV Workplace Charging Scheme (WCS). The WCS is a voucher-based scheme that provides support towards the up-front costs of the purchase and installation of electric vehicle charge points. Two charge points have been secured for the car park at the council's Civic Centre Offices. Selby District Council is currently discussing the initiative with the NHS (Selby War Memorial Hospital share the car park) to consider how to maximise the benefits of the charge points for both sites. Selby District Council will continue to explore all possible funding opportunities for further EV charging and will continue to pursue the provision of public EV charging points on new developments via the planning system (*See AQAP Measure 8 in Annex A*)
- Selby District Council and North Yorkshire County Council are currently reviewing their vehicle procurement policies to ensure that low emission vehicles are purchased whenever possible (*See AQAP Measure 9 in Annex A*)
- The Selby District Council Taxi Licensing Policy has been updated and now includes a section on 'environmental considerations', including air quality. The new policy went out to public consultation in early 2019 and was to be considered by the Executive in June 2019. Selby District Council will only accept applications to licence vehicles for the first time for vehicles under 5 years old. Existing licensed vehicles will not be licensed after the age of 12 years (*See AQAP Measure 10 in Annex A*)
- Selby District Council has updated the air quality information available on its website and issues regular social media updates on air quality

and the AQMA. Selby District Council is also currently discussing opportunities for undertaking joint promotional work with North Yorkshire County Council, especially in relation to anti-idling in the vicinity of schools (See AQAP Measure 11 in Annex A)

- With respect to improving cycling opportunities for Selby District Council staff, a pool bike scheme is proposed to allow pool bike use for local visits within a 2 mile radius of the Civic Centre. North Yorkshire County Council Public Health has offered support to the scheme and current funding opportunities are being explored in partnership with North Yorkshire. Various promotional activities are planned off the back of two major cycling events in 2019 (Tour De Yorkshire and the UCI Road World Cycling Championships) to promote cycling across the district. Further information can be found on the Selby District Council website at: <https://www.selby.gov.uk/cycling-selby-district>. There has also been ongoing development of Selby Bike Hub, located at Selby Park. The bike hub was launched in 2016 as part of the on-going development of cycling across Yorkshire following the Tour de France Grand Depart in 2014. The Bike Hub is funded by Sport England and delivered by Cycle Yorkshire, an initiative led by Welcome to Yorkshire, and is the only one of its kind in North Yorkshire. The Hub is a focal point for a broad spectrum of cycling activity, from informal support and advice to led rides, cycle training and supervised activity. (See AQAP Measure 12 in Annex A)
- Selby District Council is committed to promotion of sustainable travel initiatives in partnership with North Yorkshire County Council (See AQAP Measure 13 in Annex A). Examples of work undertaken include:
  - Officers from Selby District Council attended the Local Cycling and Walking Investment Plan (LCWIP) workshop on 7th February 2019.
  - As part of the business survey work (see AQAP Measure 4 in Annex A) posters on sustainable travel were designed and left with local businesses to offer advice to employees about sustainable travel modes.
  - Selby District Council met with North Yorkshire County Council Public Health on 28th Feb 2019 to discuss opportunities for joint working on issues relating to sustainable travel choices and air quality improvement.
  - Initiatives including development of a pool bike scheme at Selby District Council offices, ongoing promotional work with the council's Communications team and participation in Clean Air Day.
  - North Yorkshire County Council are committed to working with Selby District Council to deliver travel planning in schools and will continue to try and attract additional funding to support sustainable transport



measures both within the Selby District and the wider North Yorkshire area.

- North Yorkshire County Council will review signalling and junction priorities. However, overall there is not much scope with regards to signal alterations for New Street/Ousegate/Toll Bridge (Measure 14).
- Signs to be erected by NYCC advising drivers of a U turn and to use the bypass just before Barlby roundabout. Potential opportunity to establish a visible presence without formal enforcement, noting any breaches and contacting haulage companies (Measure 5).

### **3. Legal/Financial Implications**

#### **3.1 Legal Implications**

Section 84 of the Environment Act 1995 places a duty on local authorities, in this case Selby District Council, to prepare a report on the air quality in the area and a written plan to be exercised by the authority in pursuit of the achievement of air quality standards and objectives in the designated area.

Section 86(3) of the Environment Act places a duty on county councils to Submit proposals for exercise by the county council in pursuit of the achievement of air quality standard objectives in relation to powers exercisable by the county council.

#### **3.2 Financial Implications**

Selby District Council's obligations in relation to the existing monitoring and assessment work proposals will be met within budgets allocated for this work. Additional funding will also be necessary from partners to implement some of the measures identified in the Plan.

### **4. Conclusion**

Selby District Council will continue to monitor air quality across the district to observe progress in achieving concentrations of nitrogen dioxide below health based objective levels, both within the AQMA and across the wider district. A number of new monitoring sites within 1km of the existing AQMA were established in May 2018. Initial results from these sites are presented in this Annual Status Report and will continue to be reported in subsequent reports.

Selby District Council has published an Air Quality Action Plan (AQAP) for the AQMA in conjunction with North Yorkshire County Council and other partners, to address elevated concentrations of nitrogen dioxide in the New Street Area. Good initial progress has been made with a number of measures in the AQAP and full updates are also provided in the Annual Status Report that is submitted to DEFRA..

### **5. Background Documents**

None.

## 6. Appendices

Appendix A - Measures to improve air quality

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## Measures to Improve Air Quality

Measure No.	Measure	EU Category	EU Classification	Organisations involved and Funding Source	Planning Phase	Implementation Phase	Key Performance Indicator	Reduction in Pollutant / Emission from Measure	Progress to Date	Estimated / Actual Completion Date	Comments / Barriers to implementation
1	Strategic traffic management and access options study	Traffic Management	UTC, Congestion management, traffic reduction	NYCC supported by SDC	2018 onwards	Subject to detailed feasibility studies and funding	Completion of strategic traffic management and access options study	There is currently a shortfall in predicted NOx reduction of approximately 50kg/y (~35% reduction) in the AQAP that will need to be addressed through longer term strategic transport measures (although this does not take into account the future impact of development traffic or the predicted improvement in vehicle emissions with time). The reduction in emissions associated with any viable options coming out of this study will be reported in subsequent ASRs.	Work to prepare the Site Allocations Local Plan is ongoing. Whilst a strategic transport model for Selby has been developed and will be used to consider the traffic and air quality implication of the options proposed, progress on the Site Allocations Local Plan has been delayed pending further technical work on the potential development options for Tadcaster. SDC is also considering the implications of the revised National Planning Policy Framework.	Target date for strategic traffic management and access options study is the end of 2019	Full compliance with the air quality objectives in New Street in the short term requires a significant reduction in annual average daily traffic flow (AADT) and / or improved management of the existing flow. Various access management options for achieving this have been identified during the development of the AQAP and now require further investigation. As progress on the Site Allocations Local Plan has been delayed it is currently not possible to predict future traffic flows on New Street (due to development) with any degree of certainty. Selby DC will therefore need to finalise its site

Measure No.	Measure	EU Category	EU Classification	Organisations involved and Funding Source	Planning Phase	Implementation Phase	Key Performance Indicator	Reduction in Pollutant / Emission from Measure	Progress to Date	Estimated / Actual Completion Date	Comments / Barriers to implementation
											allocations before commencing detailed assessment of the traffic management and access needed to deliver the required emission reductions in New Street.
2	Anti-idling campaigns	Traffic Management	Anti-idling enforcement	SDC supported by NYCC	2018	June 2018 onwards	Erection of anti-idling signage	Not easily quantifiable	SDC undertook a local anti-idling campaign in and around New Street as part of Clean Air Day on 21st June 2018. Posters were distributed to local residents and businesses in relation to anti-idling and an anti-idling banner was erected on New Street to ask drivers to switch off their engines when stationary. The Environmental Health team also received over 20 pledges from SDC staff to leave their cars at home on the day and explore other sustainable means of getting into work. SDC plan to undertake further promotional work around anti-idling as part of Clean Air Day 2019. Events are planned for local businesses and schools and it is proposed to promote the campaign via social media channels. SDC is also currently discussing approaches to anti-idling promotion with Ryedale District Council (who already have anti-idling signage erected on roads approaching their	Initial promotional work was completed in June 2018, but ongoing work and further campaigns are proposed.	Anti-idling enforcement is currently not planned within Selby but will be reconsidered if awareness raising is deemed not to have reduced incidences of idling sufficiently.

Measure No.	Measure	EU Category	EU Classification	Organisations involved and Funding Source	Planning Phase	Implementation Phase	Key Performance Indicator	Reduction in Pollutant / Emission from Measure	Progress to Date	Estimated / Actual Completion Date	Comments / Barriers to implementation
									AQMA) with a view to erecting further signage in the district.		
3	Investigate provision of a low emission car club for use by Selby District Council and Selby Hospital staff	Alternatives to private vehicle use	Car Clubs	SDC	2018	2019	Opening of a car club	<p>This will be determined once number of 'avoidable' grey fleet trips have been identified. A 5% reduction in all car trips in Selby has been estimated to deliver a 3.89% reduction in NOx emission (5.68kg) on New Street. Whilst trips by council and hospital staff will make up a very small proportion of the total car trips through New Street on a day to day basis, the impacts across the wider Selby district will be much greater, especially if some staff choose to no longer own a second car for work</p>	<p>SDC has undertaken research into car clubs and pool bike schemes and is investigating the potential for provision of such facilities in the car park shared by SDC and the Selby War Memorial Hospital (Doncaster Road, Selby YO8 9BX). NYCC Public Health have offered support to the scheme and current funding opportunities are being explored in partnership with North Yorkshire</p>	To be determined once funding opportunities have been fully explored	<p>A car club could help to reduce 'grey fleet' trips within both organisations and the need to bring personal vehicles to work. A similar successful scheme is already operating in City of York Council's area (a neighbouring authority) and SDC will look to learn from this scheme going forward.</p>

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4	Review number of commuter and delivery trips generated by town centre businesses. Work with the business community to identify opportunities to reduce the total number of trips.	Promoting Travel Alternatives	Workplace Travel Planning	SDC	2018	2019	Number of premises surveyed	<p>purposes.</p> <p>To be identified once number of current trips and options for reducing them have been identified. It has been estimated that a 25% reduction in LGV trips through New Street could deliver a 2.63 kg/y (1.8%) reduction in emissions. A 5% reduction in private car trips could deliver a further 5.68kg/y (3.89%). Any reduction in HGV emissions would also be in addition to this.</p>	<p>The origin destination study undertaken to support the development of Selby's AQAP identified a large number of LGV movements around Selby town centre and an influx of commuter trips in the AM peak. With a view to gathering further information about how trips associated with local business operations impact upon traffic levels in New Street, surveys have been distributed to local businesses to establish the nature of journeys made and specific routes used by staff (both for travel to work and during working hours). These results are currently being analysed.</p>	Initial survey work and analysis to be completed by June 2019	The information collected will be used to inform the development of further action planning measures relating to workplace travel planning and freight partnerships. Workplace travel initiatives will be delivered in conjunction with the Selby Health Matters group who are currently developing a Public Health Action Plan for the Selby district
5	Improve signage relating to New Street weight limit and undertake active	Freight and Delivery Management	Route Management Plans/ Strategic routing strategy for HGV's	NYCC supported by SDC	2018	June 2018 onwards	Erection of improved signage and completion of active enforcement campaign	Based on modelling undertaken using the Emission Factor Toolkit (v7.0), in the AQMA area	NYCC currently designing a scheme to install additional advanced warning signs for the 7.5t weight limit on New Street.	-	The origin destination study undertaken to support the development of Selby's AQAP has identified that HGVs

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	enforcement of weight limit on New Street							only (~125m of road), this is expected to deliver savings of 2.95kg NO <sub>x</sub> , 0.21kg PM <sub>10</sub> and 0.13kg PM <sub>2.5</sub> per year. Emission savings will be significantly greater across the wider urban area surrounding New Street.			exceeding the New Street weight limit are currently regularly operating in the area. As HGVs have a disproportional impact on local air quality new advanced signage is being provided relating to the New Street weight limit (particularly along the by-pass). Once the new signage is in place an active enforcement campaign will be instigated to discourage further infringement of the weight limit.
6	Develop low emission planning guidance	Policy Guidance and Development Control	Air Quality Planning and Policy Guidance	SDC	2018	Guidance currently being drafted	Number of charging points requested on new developments	Assuming a local resident makes a trip into Selby by car 5 days per week (a round trip of 6km) the total annual tailpipe emissions based on an 'average size car' in the	SDC has worked with other authorities in the Yorkshire and Lincolnshire regions (through the YALPAG forum) and has input into a set of common principles with respect to low emission planning. This includes an agreed approach to requesting mitigation measures such as EV charging points, Construction Environmental Management Plans (CEMPs) and Low Emission Travel Plans. SDC is currently developing Low	Subject to Local Plan timescales	Progress on the Site Allocations Local Plan has been delayed pending further technical work on the potential development options for Tadcaster. SDC is also considering the implications of the revised

Measure No.	Measure	EU Category	EU Classification	Organisations involved and Funding Source	Planning Phase	Implementation Phase	Key Performance Indicator	Reduction in Pollutant / Emission from Measure	Progress to Date	Estimated / Actual Completion Date	Comments / Barriers to implementation
								EFT are around 0.39kg NOx and 0.05kg PM. If 5% of residents in the 7500 new homes planned for Selby made this journey in an electric car potentially 146.25kg NOx and 18.75kg of PM could be saved annually. In practice the electric vehicles would be likely to make many other trips during the year and go beyond the Selby boundary so actual emission savings could be much higher.	Emission Planning Guidance to formalise this process and also take into account the need to minimise opportunities for new exposure on new developments. In the longer term, it is anticipated that this guidance will form a supplementary planning document as part of the Local Plan		National Planning Policy Framework.
7	Development of low emission vehicle guidance	Policy Guidance and Development Control	Low Emissions Strategy	NYCC supported by SDC	2018	2019 onwards	Publication of NYCC low emission vehicle policy / SDC low emission vehicle guidance	Not quantified	NYCC has commenced a review of regional policy. A NYCC electric vehicle charge point strategy will be developed as part of this process. It will cover issues such as potential for on-street charging, charging at NYCC properties and an	End 2019	NYCC operates a limited number of vehicles within the Selby District area and controls some on-street parking. NYCC



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									investigation into the potential use of EVs in the NYCC fleet. NYCC are currently considering sites in Selby for additional EV chargers. One potential site is the parking area on Park Street as an option for fast charge facilities.		EV charging infrastructure projects are currently only planned for outside SDC area (mainly at P&R sites). The new NYCC low emission policy is not expected to impact significantly on air quality in Selby. SDC propose to develop a local low emission vehicle guidance which will identify how the use of low emission vehicles will be further supported and promoted throughout the Selby District, This will cover issues such as an infrastructure strategy, promotional activities and incentivising the use of EVs in the district.
8	Provide publicly accessible EV charging infrastructure and priority	Promoting Low Emission Transport	Procuring alternative Refuelling infrastructure to promote Low Emission	SDC	2018	2019	Number of EV charging points provided in SDC car parks	See comments on possible emission savings from short distance	Funding for electric vehicle charge points has been secured for the following SDC car parks - South Parade and Back Micklegate. SDC has also secured funding through the	Ongoing	SDC will continue to explore all possible funding opportunities for further EV

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	parking for low emission vehicles in Selby		Vehicles, EV recharging, Gas fuel recharging					local trips being converted to electric vehicles (see measure 6)	OLEV Workplace Charging Scheme (WCS). The WCS is a voucher-based scheme that provides support towards the up-front costs of the purchase and installation of electric vehicle charge points. Two charge points have been secured for the car park at SDC's Civic Centre Offices. SDC is currently discussing the initiative with the NHS (Selby War Memorial Hospital share the car park) to consider how to maximise the benefits of the charge points for both sites.		charging and will continue to pursue the provision of public EV charging points on new developments via the planning system.
9	Investigate opportunities for developing sustainable procurement policies within Selby DC and NYCC	Promoting Low Emission Transport	Public Vehicle Procurement - Prioritising uptake of low emission vehicles	SDC and NYCC	2018	2019	Number of low emission vehicles procured by SDC and NYCC	Not quantified	SDC and NYCC are currently reviewing their vehicle procurement policies to ensure that low emission vehicles are purchased whenever possible. The NYCC Air Quality Strategy is currently under review and will include identifying opportunities for use of low emission vehicles in the NYCC fleet. Two electric vehicles have recently been introduced into the NYCC pool car fleet.	NYCC Air Quality Strategy review due to be completed by the end of 2019	As both NYCC and SDC currently operate relatively new vehicles, this measure is considered to be low priority.
10	Undertake a review of current taxi fleet to identify current ages and emission standards. Investigate use of a taxi incentive grant to promote uptake of	Promoting Low Emission Transport	Taxi emission incentives	SDC	2017	2018	% reduction in number of diesel taxis in the fleet	Not quantified	The SDC Taxi Licensing Policy has been updated and now includes a section on 'environmental considerations', including air quality. The new policy went out to public consultation in early 2019 and will be considered by the Executive in June 2019. SDC will currently only accept applications to licence vehicles for the first time for vehicles under 5 years old. Existing licensed vehicles will not be	Ongoing, but any incentives subject to external grant funding	The majority of the taxi fleet operating in SDC's area are relatively modern diesel vehicles. Whilst there is scope to reduce emissions from the taxi fleet by offering incentives for the uptake of petrol hybrid vehicles

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	hybrid vehicles in the fleet								licensed after the age of 12 years		in preference to diesel cars, this would require significant levels of funding which currently do not exist. SDC will continue to monitor the taxi fleet and explore external funding sources for incentives.
11	Improve public access to air quality information and advice	Public Information	Via leaflets	SDC	2017	2018	Review and update of SDC air quality web pages completed	N/A	SDC AQ website has been reviewed and updated. SDC issues regular social media updates on air quality and the AQMA. SDC is also currently discussing opportunities for undertaking joint promotional work with NYCC, especially in relation to anti-idling in the vicinity of schools. The Local Business Survey focusing on sustainable travel started in early April 2019 and all participants were given leaflets on sustainable travel and improving AQ, and also posters to put up in local businesses. NYCC also has a project focusing on sustainable school travel/transport – The School Fringe Project.	Ongoing	The SDC air quality webpages have been updated to reflect the aims and objectives of the AQAP and to highlight how members of the public can help improve air quality on New Street through better travel choices and vehicle purchasing decisions. Further information will also be provided on the health impacts of air quality and how people can reduce their own personal exposure levels. This is in line with the recent

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											draft NICE guidelines.
12	Continue to improve opportunities to cycle in Selby district.	Transport Planning and Infrastructure	Cycle network	NYCC	Ongoing	Ongoing	KM of new cycle network provided in SDC area	<p>A 5% reduction in private car trips in New Street could deliver a 5.68kg/y (3.89%) reduction in NOx emission per year (in New Street AQMA only). If this was increased to a 10% reduction in private car trips the emission savings would increase to 11.37kg/y and 7.79%. The total emission savings across the whole district would be much greater than this.</p>	<p>With respect to improving cycling opportunities for SDC staff, a pool bike scheme is proposed to allow pool bike use for local visits within a 2 mile radius of the Civic Centre. NYCC Public Health has offered support to the scheme and current funding opportunities are being explored in partnership with North Yorkshire. Various promotional activities are planned off the back of two major cycling events in 2019 (Tour De Yorkshire and the UCI Road World Cycling Championships) to promote cycling across the district. Further information can be found on the SDC website at: <a href="https://www.selby.gov.uk/cycling-selby-district">https://www.selby.gov.uk/cycling-selby-district</a>. There has also been ongoing development of Selby Bike Hub, located at Selby Park. The bike hub was launched in 2016 as part of the on-going development of cycling across Yorkshire following the Tour de France Grand Depart in 2014. The Bike Hub is funded by Sport England and delivered by Cycle Yorkshire, an initiative led by Welcome to Yorkshire, and is the only one of its kind in North Yorkshire. The Hub is a focal point for a broad spectrum of cycling activity, from informal support and advice to led rides, cycle training and supervised activity.</p>	Ongoing	<p>NYCC delivers and maintains cycling based measures across the North Yorkshire region through the NYCC Transport Plan. Themes 3n and 3j of the NYCC Transport Plan set out NYCCs approach to improving air quality through sustainable travel measures. Any new cycle facilities for the Selby district will have to be negotiated via planning decisions and paid for by developers or by grant funding opportunities. This will be considered during the preparation of low emission planning guidance (AQAP Measure 6). When planning the provision of new cycling infrastructure</p>

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											regard will be given to the draft NICE guidelines which highlight the need to place cycle lanes as far away from busy roads as possible and ideally in off-road locations. NYCC public health department are working with Selby Health Matters to promote active travel in the district. A cycle map to promote active work and family travel is currently being produced as part of this project.
13	Continue to promote sustainable travel in Selby	Promoting Travel Alternatives	Promotion of walking	NYCC is the lead authority	Ongoing	Ongoing	Further investment in promoting travel alternatives in Selby	A 5% reduction in private car trips in New Street could deliver a 5.68kg/y (3.89%) reduction in NOx emission per year (in New Street AQMA only). If this was increased to a 10% reduction in	SDC is committed to promotion of sustainable travel initiatives in partnership with NYCC. Examples of work undertaken include: - Officers from SDC attended the Local Cycling and Walking Investment Plan (LCWIP) workshop on 7th February 2019.  - As part of the business survey work (see AQAP Measure 4) posters on sustainable travel were designed and left with local businesses to offer advice to	Ongoing	Themes 3n and 3j of the NYCC Transport Plan set out NYCCs approach to improving air quality through sustainable travel measures. NYCC, together with its partners, will seek funding opportunities to promote active travel and travel alternatives. Intensive active

Measure No.	Measure	EU Category	EU Classification	Organisations involved and Funding Source	Planning Phase	Implementation Phase	Key Performance Indicator	Reduction in Pollutant / Emission from Measure	Progress to Date	Estimated / Actual Completion Date	Comments / Barriers to implementation
								<p>private car trips the emission savings would increase to 11.37kg/y and 7.79%. The total emission savings across the whole district would be much greater than this. Reducing emissions from private cars is a key priority for the Selby AQAP.</p>	<p>employees about sustainable travel modes.</p> <ul style="list-style-type: none"> <li>- SDC met with NYCC Public Health on 28th Feb 2019 to discuss opportunities for joint working on issues relating to sustainable travel choices and air quality improvement.</li> <li>- Initiatives including development of a pool bike scheme at SDC offices, ongoing promotional work with SDC Communications team and participation in Clean Air Day.</li> <li>- NYCC are committed to working with SDC to deliver travel planning in schools and will continue to try and attract additional funding to support sustainable transport measures both within the Selby District and the wider NYCC area.</li> </ul>		<p>travel planning measures and personalised travel planning schemes exist in other parts of the NYCC area and there is scope to extend these to the Selby District if additional funding can be found. NYCC will continue to work with SDC to deliver travel planning in schools, and will continue to try and attract additional funding to support sustainable transport measures both within the Selby District and the wider NYCC area. These activities support the recent draft NICE guidelines on air quality.</p>
14	Rapid review of existing signalling and junction priorities around New Street	Traffic Management	UTC, Congestion management, traffic reduction	NYCC	2018	2019	Reduction in queue length on New Street	Not yet assessed	NYCC have confirmed that timings for the traffic signals at the junction with Ousegate are at their maximum. The signals work in conjunction with the toll bridge and there is little scope to change the road layout to reduce queue lengths.	2019	NYCC have confirmed that there is unlikely to be scope to significantly reduce queue lengths and idling times on

Measure No.	Measure	EU Category	EU Classification	Organisations involved and Funding Source	Planning Phase	Implementation Phase	Key Performance Indicator	Reduction in Pollutant / Emission from Measure	Progress to Date	Estimated / Actual Completion Date	Comments / Barriers to implementation
											New Street via adjustments to traffic light timings.

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**Draft Policy Review Committee Work Programme 2019-20**

<b>Date of Meeting</b>	<b>Topic</b>	<b>Action Required</b>
<b>11 June 2019</b>	Work Programme 2019-20	To review and amend the committee's work programme for 2019-20 as required.
	North Yorkshire Home Choice – Choice Based Lettings	To receive information regarding the impact of changes to the North Yorkshire Home Choice, i.e. withdrawal of City of York Council from the scheme, and the effect this will have on Selby District.
	Taxi Licensing Policy	To receive an update on the refresh of the Council's Taxi Licensing Policy.
<b>23 July 2019</b>	Work Programme 2019-20	To review and amend the committee's work programme for 2019-20 as required.
	Empty Homes Strategy	To examine the Council's Empty Homes Strategy.
<b>10 September 2019</b>	Air Quality Action Plan	To examine the Air Quality Action Plan and any progress made against it a year on from its adoption in September 2018.
	Housing, Affordable Housing and Housing Need at SDC – An Overview	To receive a presentation and accompanying report giving an overview of the housing service at Selby District Council, including affordable housing and housing need.
	Work Programme 2019-20	To review and amend the committee's work programme for 2019-20 as required.

	Medium Term Financial Strategy	To comment on the Medium Term Financial Strategy.
<b>15 October 2019</b>	Work Programme 2019-20	To review and amend the committee's work programme for 2019-20 as required.
	Housing Revenue Account Business Plan	To comment on the HRA Business Plan, following consideration and (recommended) approval of the Business Plan for consultation by the Executive on 5 September 2019.
	North Yorkshire Home Choice	To consider the current North Yorkshire Home Choice arrangements for Selby and discuss the Council's future involvement in the scheme.
	Empty Homes Strategy	To consider the Empty Homes Strategy again with additional benchmarking information from other local authorities.
	Planning Enforcement Management Plan	To review and comment on the implementation of the Planning Enforcement Management Plan following 6 months of operation.
	Universal Credit Update	To receive an update on the implementation and running of Universal Credit.
	Futureproofing Selby District: Tech Infrastructure and the Low Carbon/Green Agenda	To consider (in the context of the Local Plan?) the Council's potential contribution to the low carbon/green agenda, including appropriate tech infrastructure in the District, and to explore the possibility of developing associated policies, if required.
	Alcohol Licensing Policy Review	To comment on the review of the Council's Alcohol Licensing Policy.

<b>10 December 2019</b> <i>(provisional date)</i>	Financial Budget 2020-21  <i>It has been suggested by the Quarterly Exec/Scrutiny Work Programme Group for this provisional date to be used to consider the Budget 2020-21.</i>	To review and comment on the Council's proposed 2020-21 Financial Budget.
<b>14 January 2020</b>	Work Programme 2019/20 and Work Programme Planning for 2020/21	To review and amend the committee's work programme for the rest of the 2019-20 year as required, and begin to plan the Committee's Work Programme for the 2020-21 year.
	Private Sector Housing Assistance Policy	To review the Private Sector Housing Assistance Policy adopted in April 2018.
	Car Parking Policy/Strategy	To review and receive an update on the Car Parking Policy/Strategy originally adopted in 2017.
<b>7 April 2020</b>	Work Programme Planning for 2020-21	To review and finalise the Committee's Work Programme for the 2020-20 year.
	Council Allocations Policy	To review the Council's Allocations Policy.
	Annual Report of the Policy Review Committee 2019-20	To review and approve the Annual Report 2019-20 of the Policy Review Committee.
	Universal Credit Update	To receive an update on the implementation and running of Universal Credit.

The following **provisional** dates are also in the Democratic Services calendar for provisional meetings if required: **10 December 2019 and 10 March 2020.**

**Other potential items for 2019-20 and beyond: (*It is for the Committee decide when they feel it would be appropriate to consider these matters, i.e. at which meetings*)**

- **PLAN Selby** – will be re-added to work plan when new timetable for consideration is known.
- **Licensing Policy** – add back on to the work programme if referred back to the Committee by the Executive after consideration in July 2019.
- **Recycling** – It may be better for Scrutiny Committee to look at this - elements could be considered by Policy Review Committee but it would need to be at the right point. A Task and Finish Group has been established to consider the matter – look at again when the T&F group have finished their work.
- **Street Cleansing** – As above, this could be considered separately from the recycling service element.
- **AirBnB Homes and their Impact** – The Committee agreed that this was not currently an issue for the Selby District but could be in the future – keep under review.

#### **Deep Dives/Working Groups – potential items**

- Housing Matters - ongoing